

**MID-REGION  
COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
FINANCIAL STATEMENTS WITH INDEPENDENT  
AUDITORS' REPORT**

**For the Fiscal Year Ended June 30, 2009**

**HINKLE & LANDERS, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS**

**STATE OF NEW MEXICO  
MID-REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
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FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

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**STATE OF NEW MEXICO**  
**MID-REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO**  
**OFFICIAL ROSTER**  
**As of June 30, 2009**

**DIRECTORS**

**POSITION**

Larry Abraham	Chairperson
Thomas Swisstack	Vice- chairperson
Ed Adams	Board Member
Wayne Ake	Board Member
M. Steven Anaya	Board Member
Norman Assed	Board Member
Theodore Barela	Board Member
Isaad Benton	Board Member
Michael Brasher	Board Member
Michael Cadigan	Board Member
Vandora Casados	Board Member
Patricia Chavez	Board Member
Gloria Chavez	Board Member
Robert Chavez	Board Member
Vanessa Chavez Gutierrez	Board Member
Jessie Davidson	Board Member
Art de la Cruz	Board Member
Adan Encinias	Board Member
John H. Garcia	Board Member
Phillip Gasteyer	Board Member
Ron Gentry	Board Member
Vel Gilley	Board Member
Gary Giron	Board Member
Mario Guggino	Board Member
Don Harris	Board Member
Brad Hill	Board Member
Don Leonard	Board Member
Patricia Lincoln	Board Member
Donald Lopez	Board Member

**STATE OF NEW MEXICO  
MID-REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
OFFICIAL ROSTER  
As of June 30, 2009**

Robert Lucero	Board Member
Thaddeus Lucero	Board Member
Wanona Maestas	Board Member
J. Don Martinez	Board Member
Art Mondragon	Board Member
Larry Naranjo	Board Member
Adrian Oglesby	Board Member
Debbie O'Malley	Board Member
Georgia Otero-Kirkham	Board Member
John G. Philips III	Board Member
Larson Romero	Board Member
Donald Rudy	Board Member
Mark Saavedra	Board Member
Bruce Sanchez	Board Member
Emily Sanchez	Board Member
Ken Sanchez	Board Member
Bob Stearley	Board Member
Ronnie Torres	Board Member
A. Terese Ulivarri	Board Member
Rick Velarde	Board Member
Larry Velasquez	Board Member
Robert Vialpando	Board Member
Glenn Walters	Board Member
Lawrence Rael	Executive Director

# Hinkle & Landers, P.C.

*CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS*

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Albuquerque, New Mexico 87102  
Tel (505) 883-8788  
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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Mid Region Council of Governments  
and  
Mr. Hector Balderas, State Auditor

We have audited the accompanying financial statements of the governmental activities, each major fund, the respective budgetary comparisons and the aggregate remaining fund information of the Mid-Region Council of Governments of New Mexico (Council) as of and for the year ended June 30, 2009, which collectively comprise the Council's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Council's non-major governmental and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Council as of June 30, 2009 and the respective changes in financial position and the respective budgetary comparisons for the general, WIA, UPWP, Commuter rail-planning and Commuter rail-operations funds for the year then ended, in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each of nonmajor governmental and fiduciary funds of the Council as of June 30, 2009 and the respective changes in financial positions and the respective budgetary comparisons of all nonmajor funds presented as supplementary information for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2009 on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide and opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis, on pages 5 thru 13, is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the Management's Discussion and Analysis. However, we did not audit the information and do not express and opinion on it.

Our audit was made for the purpose of forming opinions on the Council's basic financial statements and on the combining and individual fund financial statements and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not required part of the financial statements. The additional schedules listed as other supplementary information for the schedules of changes in assets and liabilities for each agency fund are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

The image shows a handwritten signature in black ink that reads "Hinkle & Landers, P.C." in a cursive, flowing script.

December 7, 2009  
Hinkle & Landers, PC

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

The Mid-Region Council of Governments (Council) management's discussion and analysis provides an overview of the Council's mission and function, recent program opportunities, and a brief discussion of the basic financial statements and the significant differences in information they provide.

**COUNCIL'S MISSION AND FUNCTION**

The Mid-Region Council of Governments of New Mexico (MRCOG) is an association of local governments and special units of government within the State's Planning District Number 3. The MRCOG was established December 11, 1969, under the authority of the Regional Planning Act and under the Joint Powers Act. Municipal and county government agencies in Bernalillo, Sandoval, Tarrant, and Valencia Counties, plus Edgewood in Santa Fe County, are members, as well as groups like Albuquerque Public Schools and the Middle Rio Grande Conservancy District. Elected and appointed representatives of these organizations serve on the MRCOG's Board of Directors and give the organization direction.

The MRCOG was created to conduct and coordinate regional planning. It provides a forum where local elected officials from across the region can meet and discuss issues that do not begin or end at artificial, political boundaries. MRCOG's role is advisory with the primary task to provide member governments with data and plans to allow them to make better informed decisions. The MRCOG mission is to strengthen individual communities by identifying and initiating regional planning strategies through open dialogue and collaboration between the member governments.

The MRCOG provides a variety of services to its member governments and is funded through a combination of participation fees, federal, state and other grants. Services provided include planning and technical assistance in the fields of transportation, economic development, ordinances, zoning, job training and other special projects as requested. Areas of technical expertise include map making and Geographic Information Systems analysis; gathering data about population, employment, land use, and traffic flow, as well as developing forecasts to project what these figures will be in the future.

The MRCOG also manages the popular commuter rail service: the New Mexico Rail Runner Express. The Rail Runner provides commuter rail service between Belen and Santa Fe.

**RECENT PROGRAM OPPORTUNITIES**

**Transportation:** The MRCOG has been designated by the New Mexico Department of Transportation to be its agent for the New Mexico Rail Runner Express commuter rail service. The NMDOT programmed federal transportation funds to cover the first three years of operating costs and will continue to fund a portion of the operating budget using both Federal and State funds. The funds, together with farebox revenues and fees are utilized by the MRCOG to contract for the operation and maintenance of the commuter rail service as well as marketing and oversight of the contract operator.

The Village of Los Lunas has requested MRCOG to act as the project lead for a study that will identify the location of a transportation facility which will provide relief to congestion on NM6 through the Village, to include an interchange and river bridge crossing. MRCOG will coordinate study activities with the various local governments in Valencia County and provide a neutral



**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

environment in which decisions can be made about the location and type of transportation facility to be identified.

The Rio Metro Regional Transit District (Rio Metro) has a contract with Sandoval County whereby Rio Metro will oversee the day-to-day service of the Sandoval Easy Express (SEE), Sandoval County's rural public transit service. Rio Metro also has contracts with the City of Albuquerque Transit Department to provide New Mexico Rail Runner Express shuttle service.

The MRCOG and the New Mexico Department of Human Services have entered into an agreement whereby MRCOG will oversee the statewide use of Temporary Assistance for Needy Families (TANF) funds for transportation. The goal of this effort is to improve communications between NMHSD Income Support Division offices and local transportation providers. The goal is to increase the number of TANF clients utilizing the available transportation services.

**Regional Planning:** The MRCOG has received a grant from the Office of Economic Adjustment (OEA) of the U.S. Department of Defense to conduct the Kirtland Air Force Base Joint Land Use Study (JLUS). The JLUS process encourages collaborative planning between military installations and local jurisdictions, so that future community land uses and the training and operational missions of the Air Force Base are compatible.

The MRCOG maintains the Agribusiness Collaborative, an organization dedicated to preserving and improving the agricultural economy of the region. The Agribusiness Collaborative meets monthly and is comprised of farmers, food processors, representatives of food markets, educators, government agencies and others interested in local agriculture. The Council publishes a quarterly newsletter focusing on building connections between local producers and local markets.

A new regional program administered by the MRCOG is the Regional Criminal Justice Coordination Program (RCJCP). The purpose of the RCJCP is to coordinate alternatives to incarceration, to increase communication relative to public safety on a regional basis, to develop programs for re-integration into society, and to establish methods to decrease the cost of incarceration for Bernalillo, Sandoval, Torrance, and Valencia Counties.

The MRCOG continues to provide comprehensive planning and technical assistance to local governments throughout the region. Community planning services are being provided to the City of Belen with preparation of a strategic growth plan and to the Village of Encino with a comprehensive plan.

**Economic Development:** Since 1973, the MRCOG has been designated as the Economic Development District by the U.S. Department of Commerce for the four-county region of MRCOG. In support of this designation, the MRCOG provides technical and planning assistance to entities seeking funds from the US Department of Commerce, Economic Development Administration (EDA). A three-year EDA planning grant to the MRCOG is currently in effect. Council staff prepares and maintains a summary document of the region's economic conditions, development activities, and strategies for improving local and regional economies in a report entitled the comprehensive Economic Development Strategy (CEDS). Various organizations use the CEDS report as a basis for taking actions to improve the economy.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

**BASIC FINANCIAL STATEMENTS**

The MRCOG implemented GASB #34 and its later provisions effective on July 1, 2003. With this implementation the presentation of the financial statements is significantly different from the previous general-purpose financial statements. These financial statements now include the comparative financial information required by GASB #34.

The new financial model includes:

Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. The new reporting model focus is on either the MRCOG as a whole, or major individual funds (within the funds financial statements). Both the government-wide and fund financial statements categorize primary activities as either government or business type activities. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long term debt obligation. The Council did not have any business-type activities during the year ended June 30, 2009.

Government-Wide Financial Statements

The government-wide financial statements focus is on the sustainability of the Council as an entity and in aggregate financial position resulting from the activities of the current fiscal period.

Fund Financial Statements

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds in either the governmental or business-type activities. Nonmajor funds by category or fund type are summarized into a single column. The General Fund, Workforce Investment Program, UPWP Transportation Project, and Commuter Rail Project, have been classified as major funds. The MRCOG has several non-major funds.

Governmental funds utilize the modified accrual basis of accounting. Revenues are recorded when they become measurable and available to pay liabilities of the current period. Revenues which have been received but are not considered available are recorded as unearned grant advances. Expenditures are recorded when the related fund liability is incurred.

In applying this concept to intergovernmental revenues pursuant to GASB Statement #33, which was adopted as of July 1, 2002 by the MRCOG, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances should be reported as advances by the provider and deferred revenue by the recipient.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

Notes to the Financial Statements

The notes to the financial statements provide information essential to the reader's understanding of the MRCOG's basic financial statements.

Budgetary Comparisons

As required by the Office of the State Auditor under 2 NMAC 2.2, the Statements of Revenues and Expenditures – Budget and Actual for the General Fund is presented. This information is provided at the approved budget level to demonstrate compliance with legal requirements.

**FINANCIAL ANALYSIS OF THE COUNCIL**

Overall Financial Position

The Council's overall financial position continues to grow and remain strong. Over the past seventeen years the number of funds (projects) administered by the Council has increased from twelve (12) during fiscal year 1992 to forty-six (46) during fiscal year 2009. Total expenditures over the same period, including agency funds, have increased from \$1.3 million during the fiscal year ending June 30, 1992 to \$95.1 million during the fiscal year ending June 30, 2009.

The Council's net assets increased by \$353,241 compared to the prior year (from \$2,021,113 on June 30, 2008 to \$2,374,354 on June 30, 2009). The increase in net assets was principally a result of an increase in net capital assets.

Compared to the prior year ending June 30, 2008, the Council's Total Governmental Funds expenditures increased from \$20.7 million (FY08) to \$28.4 million (FY09). During FY09, the Council administered five new funds: a City of Belen Strategic Growth study, Village of Encino Comprehensive Plan, Santa Fe Commuter Rail Station Photovoltaic electric system, Rio Metro Transit Service Schedules project, and New Freedom Transportation provider. Expenditures increased in several ongoing funds, including TANF Support, UPWP Transportation Planning, Commuter Rail Operations, Job Access/Reverse Commute, and Los Lunas Corridor Study. Expenditures decreased in the Building Renovation, Digital Orthophotography, Mid-Region Transit District Service Plan, Modern Streetcar Study, and Regional Criminal Justice programs.

In addition to the Council's Governmental Funds, the Council administers Agency Funds on behalf of the New Mexico Department of Transportation. These Agency Funds, which are Commuter Rail capital acquisition funds, increased from \$45.8 million during the prior year to \$67.5 million during the current year.

The Council did not have any business-type activities during the year ended June 30, 2009.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

Net Assets

Table A-1 summarizes the Council's net assets for the fiscal year ended June 30, 2009. Net assets are presented on a consolidated basis and are reflected on a full accrual basis. The Council did not have any business-type activities during the year ended June 30, 2009.

Table A-1  
The Council's Net Assets

	Governmental Activities 6/30/09	Governmental Activities 6/30/08
Current Assets	\$ 8,285,869	\$ 5,494,691
Capital Assets, net of Accumulated Depreciation	<u>3,732,947</u>	<u>3,473,041</u>
<b>Total Assets</b>	<b>\$ <u>12,018,816</u></b>	<b>\$ <u>8,967,732</u></b>
Total Current Liabilities	\$ 6,965,607	\$ 4,318,703
Total Long Term Debt	<u>2,678,855</u>	<u>2,627,916</u>
<b>Total Liabilities</b>	<b>\$ <u>9,644,462</u></b>	<b>\$ <u>6,946,619</u></b>
 Net Assets:		
Invested in Capital Assets	\$ 1,001,925	\$ 678,685
Unrestricted	<u>1,372,429</u>	<u>1,342,428</u>
<b>Total Net Assets</b>	<b>\$ <u>2,374,354</u></b>	<b>\$ <u>2,021,113</u></b>

Changes in Net Assets: The Council's change in net assets for fiscal year 2009 was an increase of \$353,241. The table below reflects the changes in net assets.

Table A-2  
Changes in the Council's Net Assets

	Governmental Activities 6/30/09	Governmental Activities 6/30/08
Expenses – governmental activities	\$ (28,168,924)	\$ (20,842,590)
Add: Charges for services	134,524	807,411
Operating grants	<u>28,374,337</u>	<u>19,983,178</u>
<b>Subtotal</b>	<b>339,937</b>	<b>(52,002)</b>
General revenues – total	<u>13,304</u>	<u>83,496</u>
<b>Change in net assets</b>	<b>353,241</b>	<b>31,495</b>
Net assets – beginning of year	2,021,113	1,989,618
Adjustment	<u>-</u>	<u>-</u>
<b>Net assets – end of year</b>	<b>\$ <u>2,374,354</u></b>	<b>\$ <u>2,021,113</u></b>

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

The following table relates to the revenues and expenditures of the Governmental Funds.

Table A-3  
Changes in the Council's Revenues, Expenditures and changes in Fund Balances

	Governmental Activities 6/30/09	Governmental Activities 6/30/08
<b>Revenues:</b>		
State	\$ 2,835,205	\$ 3,854,235
Federal	18,903,621	11,783,846
Local	6,958,056	4,345,097
Charges for Service	134,524	807,411
Interest and other	13,304	30,209
<b>Total Revenues</b>	<b>\$ 28,844,710</b>	<b>\$ 20,820,798</b>
<b>Expenditures:</b>		
Operations	10,255,668	5,250,422
Contractual	17,846,617	15,283,217
Capital outlay	419,260	8,316
Debt Service	156,033	154,805
<b>Total Expenditures</b>	<b>\$ 28,677,578</b>	<b>\$ 20,696,760</b>
<b>Excess (deficiency) of revenues over</b>		
Expenditures	167,132	124,038
Matching Funds Transfers in/(out)	(-)	(-)
<b>Beginning Fund Balances</b>	<b>1,355,456</b>	<b>1,231,420</b>
<b>Ending Fund Balances</b>	<b>\$ 1,522,588</b>	<b>\$ 1,355,458</b>

The Council's total expenditures for government-type activities during the fiscal year 2009 were \$28,677,578. They increased over the prior year because of the significant increase in the Commuter Rail operating funds.

Analysis of Major Funds

**General Fund (Fund 010):** Revenues in the General Fund increased by \$27,168 compared to the prior year. The additional revenues were attributable to increased membership revenue. The MRCOG's membership revenue increased from \$451,447 in fiscal year 2008 to \$469,585 in fiscal year 2009. The vehicle pool revenue increased by \$15,307 as a result of the increase in mileage for Rail Runner operations, and the reproduction pool revenue increased slightly (\$2,335). The lease revenue from the NMDOT's Intelligent Transportation Systems Center increased by \$10,254. The expenditures in the General Fund decreased by \$296,120 compared to the prior year. The decrease was a combination of decreased expenditures in vacation and sick leave, capital purchases, and the building lease for the MRCOG offices. The Fund Balance increased from \$1,355,458 on June 30, 2008 to \$1,522,588 on June 30, 2009. The primary reasons for the increase in Fund Balance was a decrease in the debt for the MRCOG offices and an increase in Net Capital Assets. The Council's Net Capital Assets for fiscal year 2009 increased by \$323,241 (net of depreciation) compared to fiscal year 2008. The primary source of revenues in the General Fund is Council membership revenue.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

**Workforce Investment Act (Fund 020):** The Council serves as the Administrative Entity and Fiscal Agent for the Workforce Connection of Central New Mexico (WCCNM). Revenues and Expenditures for the Workforce Investment Act fund decreased slightly, by \$11,511 or 2% compared to the prior year. As of June 30, 2009, the fund balance in the Workforce Investment Act fund was zero.

**Unified Planning Work Program (Fund 052):** The revenues and expenditures in the Unified Planning Work Program fund increased by \$146,532 or 14.5% compared to the prior year. In February 2009, the Council received notification of additional funding from the Federal Highway Administration in the amount of \$16,225. Also, the Council had available carry-in funds from the previous year. As of June 30, 2009, the fund balance in the Unified Planning Work Program fund was zero.

**Commuter Rail Planning (Fund 088, 087, 85A):** The Commuter Rail Planning fund's revenues and expenses increased by \$265,455, representing an increase of 44% compared to the prior year. The increase was due to activities related to extending the Rail Runner service to Santa Fe. As of June 30, 2009, the fund balance in the Commuter Rail Planning fund was zero.

**Commuter Rail Operations (Fund 089, 091):** The New Mexico Rail Runner Express began commuter rail service in July 2006, with service to the U.S. 550, Los Rancho/Journal Center, and Downtown Albuquerque stations. During Fiscal Year 2007, the Commuter Rail service was extended to Los Lunas, Belen, the Albuquerque Sunport, and downtown Bernalillo. During Fiscal Year 2008, the Commuter Rail service was extended to Isleta Pueblo. During Fiscal Year 2009, the commuter Rail service was extended to Santa Fe. The Commuter Rail Operation fund's revenues and expenses increased by \$6,962,891 over the prior year, which is an increase of 54%. This increase is attributable to extending service to Santa Fe and providing service on Sundays. The Rail Runner Express also provided special service, including special service for the Bernalillo Wine Festival and the Albuquerque Balloon Fiesta. As of June 30, 2009, the fund balance in the Commuter Rail Operations fund was zero.

Significant Variations between Original and Final Budget Amounts

The difference between the original Budget and final Budget is primarily a result of the following:

- General Fund: The Vehicle Pool revenue and expenses were more than anticipated due to a significant increase in mileage for Rail Runner operations. The Rent Revenue was greater than anticipated because of an increase in the price of utilities.
- Metropolitan Transportation Planning: Additional funding was provided by the Federal Highway Administration in February 2009.
- Rio Metro Service Schedules: Additional funding was provided by the Federal Highway Administration in April 2009.
- Job Access/Reverse Commute: Additional funding was provided by the Federal Transit Administration.
- Rail Runner Express Lobo Rail Station Capital: Additional funding was provided by the University of New Mexico.
- Rail Runner Express Photovoltaic System: Additional funding was provided by the New Mexico Energy, Minerals, and Natural Resources Department.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

- Agribusiness: Additional funding was provided by Sandia National Laboratories, the University of New Mexico, La Montanita Coop, and the Middle Rio Grande Conservancy District.
- Kirtland Air Force Base Joint Land Use Study: Additional funding was provided by the Office of Economic Adjustment (OEA) of the U.S. Department of Defense.
- Regional Criminal Justice: Additional funding was provided by the City of Albuquerque and Bernalillo County.
- Regional Water Planning: Funding was provided by the Estancia Basin Water Planning Committee for a new water resource planning project.

Fund Balance

The Council's governmental funds reported combined fund balances of \$1,522,588. This is approximately \$167,132 higher than the previous year. The primary reasons for the increase are a decrease in the debt for the MRCOG offices and an increase in Net Capital Assets.

Capital Assets

The Council's investment in capital assets as of June 30, 2009 amounted to \$4,480,792. The capital assets consist mainly of office equipment, vehicles, and a building. Depreciation expense of \$159,354 was recorded in the current year. Additions of \$419,260 were purchased during the year ended June 30, 2009, consisting of office equipment, a generator, air conditioners, a traffic analyzer, and 3 Rail Runner vehicles.

Long-Term Debt

The Council incurred no additional long-term debt during the year, and reduced the long-term debt on the MRCOG offices by a total of \$63,333. As of June 30, 2009, the Council had total long-term debt in the amount of \$1,983,889 for the MRCOG offices.

Future Financial Position

The Council's financial position is expected to remain strong. The New Mexico Rail Runner Express is proving to be an overwhelming success. The Council is serving as the agent for the New Mexico Department of Transportation (NMDOT) and the Rio Metro Regional Transit District for operation of the commuter rail service. The NMDOT's Intelligent Transportation Center (ITC) is located in the lower level of the MRCOG building. The ITC monitors traffic flow on Albuquerque's interstate system via video surveillance and traffic monitoring devices. Metropolitan transportation planning, regional transportation planning, and local government planning programs are all expected to remain strong.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2009**

Request for Information

This financial report is designed to provide a general overview of the Council's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to Executive Director, 809 Copper Ave. NW, Albuquerque, NM 87102.



## **FINANCIAL SECTION**

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
(GOVERNMENT-WIDE)  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2009**

**ASSETS:**

**Governmental  
Activities**

Current:

Cash and cash equivalents	\$	4,346,127
Cash restricted		51,715
Other receivable		29,154
Grants receivable		3,368,853
Receivable from agency funds		480,304
Prepaid		9,716
Total current assets		<u>8,285,869</u>

Noncurrent:

Capital assets (nondepreciated)		683,800
Capital assets (net of accumulated depreciation)		3,049,147
Total noncurrent assets		<u>3,732,947</u>

Total assets \$ 12,018,816

**LIABILITIES AND NET ASSETS:**

**LIABILITIES**

Current:

Accounts payable	\$	6,037,824
Accrued payroll liabilities		58,188
Due to other agencies		-
Deferred revenue		667,269
Accrued compensated absences		138,993
Current portion of capital lease payable		68,333
Total current liabilities		<u>6,970,607</u>

Noncurrent:

Accrued compensated absences		694,966
Capital lease payable		1,978,889
Total noncurrent liabilities		<u>2,673,855</u>

Total liabilities 9,644,462

**NET ASSETS**

Invested in capital assets, net of related debt		1,001,925
Unrestricted		1,372,429
Total net assets		<u>2,374,354</u>

Total liabilities and net assets \$ 12,018,816

See independent auditors' report

The accompanying notes are an integral part of these financial statements

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
(GOVERNMENT-WIDE)  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Charges for services</b>	<b>Program Operating Grants and Contributions</b>	<b>Net (Expense) Revenue and Changes in Net Assets for Governmental Activities</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Governmental activities:</b>				
General government:				
General activities	\$ 47,299	134,524	470,835	\$ 558,060
Transportation planning	1,154,427	-	982,053	(172,374)
Commuter rail project	20,950,792	-	21,166,173	215,381
Employment services	570,717	-	570,717	-
Other planning programs	5,616,400	-	5,447,970	(168,430)
Interest expense	92,700	-	-	(92,700)
	<u>28,432,335</u>	<u>134,524</u>	<u>28,637,748</u>	<u>339,937</u>
 General Revenues				
Interest				<u>13,304</u>
 Change in net assets				<u>353,241</u>
 Net assets, beginning of year as previously stated				2,021,113
Adjustment				-
Net assets, beginning of year				<u>2,021,113</u>
  Net assets, end of year				<u>\$ 2,374,354</u>

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
BALANCE SHEET - GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2009**

	<b>Major Funds</b>						<b>Total Governmental Funds</b>
	<b>General #10</b>	<b>Workforce #20</b>	<b>UPWP #52</b>	<b>Special Revenue Funds</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>	
				<b>Commuter Rail Plan. #88,87,85A</b>	<b>Commuter Rail Oper. #89,91</b>		
<b>ASSETS</b>							
Cash and short-term investments	\$ 4,343,859	-	-	-	-	2,268	4,346,127
Cash-restricted	51,715	-	-	-	-	-	51,715
Receivables	22,246	1,123	-	-	5,785	-	29,154
Grant reimbursements receivable	-	118,224	73,120	-	2,198,942	978,567	3,368,853
Interfund receivables	557,976	-	-	-	1,979,172	553,587	3,090,735
Due from agency funds	480,304	-	-	-	-	-	480,304
Prepaid expenses	9,716	-	-	-	-	-	9,716
<b>Total assets</b>	<b>\$ 5,465,816</b>	<b>119,347</b>	<b>73,120</b>	<b>-</b>	<b>4,183,899</b>	<b>1,534,422</b>	<b>11,376,604</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 1,352,281	-	849	-	3,994,392	690,302	6,037,824
Accrued payroll liabilities	58,188	-	-	-	-	-	58,188
Interfund payables	2,532,759	119,347	72,271	-	-	366,358	3,090,735
Payable to NMDOT	-	-	-	-	-	-	-
Unearned grant advances	-	-	-	-	189,507	477,762	667,269
<b>Total liabilities</b>	<b>3,943,228</b>	<b>119,347</b>	<b>73,120</b>	<b>-</b>	<b>4,183,899</b>	<b>1,534,422</b>	<b>9,854,016</b>
<b>FUND BALANCES</b>							
Unreserved-designated	500,000	-	-	-	-	-	500,000
Unreserved-designated accrued absences	833,958	-	-	-	-	-	833,958
Unreserved	188,630	-	-	-	-	-	188,630
<b>Total fund balances</b>	<b>1,522,588</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,522,588</b>
<b>Total liabilities and fund balances</b>	<b>\$ 5,465,816</b>	<b>119,347</b>	<b>73,120</b>	<b>-</b>	<b>4,183,899</b>	<b>1,534,422</b>	

**Reconciliation**

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported	3,732,947
Capital lease payable, long term debt	(2,047,222)
Compensated absences	(833,959)
Rounding	-
<b>Net assets of governmental funds</b>	<b>\$ 2,374,354</b>

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

	<b>Major Funds</b>						<b>Total Governmental Funds</b>
	<b>General #10</b>	<b>Special Revenue Funds</b>				<b>Other Governmental Funds</b>	
		<b>Workforce #20</b>	<b>UPWP #52</b>	<b>Commuter Rail Plan. #88,87,85A</b>	<b>Commuter Rail Oper. #89, 91</b>		
<b>REVENUES</b>							
Intergovernmental:							
Federal	\$ -	570,717	982,053	-	14,172,301	3,178,550	18,903,621
State	1,250	-	59,134	1,133,082	500,000	1,141,739	2,835,205
Charges for services	134,524	-	-	-	-	-	134,524
Local	469,585	-	-	-	5,360,790	1,127,681	6,958,056
Interest and other	13,303	-	-	-	-	1	13,304
Total revenues	<u>618,662</u>	<u>570,717</u>	<u>1,041,187</u>	<u>1,133,082</u>	<u>20,033,091</u>	<u>5,447,971</u>	<u>28,844,710</u>
<b>EXPENDITURES:</b>							
Current:							
Operating	-	568,090	1,020,087	859,873	5,477,187	2,330,431	10,255,668
Contractual	13,828	2,627	20,226	9,798	14,555,904	3,244,234	17,846,617
Capital outlay	-	-	114,114	263,411	-	41,735	419,260
Debt service:							
Principal	63,333	-	-	-	-	-	63,333
Interest and other charges	92,700	-	-	-	-	-	92,700
Total expenditures	<u>169,861</u>	<u>570,717</u>	<u>1,154,427</u>	<u>1,133,082</u>	<u>20,033,091</u>	<u>5,616,400</u>	<u>28,677,578</u>
Excess of revenue over expenditures	<u>448,801</u>	<u>-</u>	<u>(113,240)</u>	<u>-</u>	<u>-</u>	<u>(168,429)</u>	<u>167,132</u>
<b>OTHER FINANCING SOURCES/USES</b>							
Operating Transfers in	-	-	113,240	-	-	168,429	281,669
Operating Transfers out	(281,669)	-	-	-	-	-	(281,669)
	<u>(281,669)</u>	<u>-</u>	<u>113,240</u>	<u>-</u>	<u>-</u>	<u>168,429</u>	<u>-</u>
Net change in fund balance	167,132	-	-	-	-	-	167,132
Fund balance, beginning of year	<u>1,355,456</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,355,456</u>
Fund balance, end of year	<u>\$ 1,522,588</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,522,588</u>

**Reconciliation:**

Change in fund balance-total government funds 167,132

Amounts reported for governmental activities in the statement of activities are different because:

Principle portion of notes payable 63,333  
 Depreciation is not recorded as a financial use (159,355)  
 Gain on disposition of assets -  
 Capital assets used in governmental activities are not financial resources and therefore, are not reported 419,260  
 Increase in accrued vacation liability (137,224)  
 Other minor difference 95

Change in Net Assets of Governmental Activities \$ 353,241

See independent auditors' report  
 The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Local	466,219	469,585	469,585	-
State	-	-	1,250	1,250
Charges for services			134,524	
Interest and other	44,400	44,400	13,303	(31,097)
Total Revenues	\$ 510,619	513,985	618,662	104,677
<b>Expenditures:</b>				
Current:				
General Government	200,000	200,000	169,861	30,139
Capital Outlay	-	-	-	-
Total Expenditures	200,000	200,000	169,861	30,139
<b>Other Financing Uses:</b>				
Operating transfer out	(285,000)	(285,000)	(281,669)	3,331
Change in fund balance	\$ 25,619	28,985	167,132	71,207

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**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
MAJOR FUND - WIA (WORKFORCE INVESTMENT PROGRAM) # 20  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Intergovernmental-federal	\$ 620,000	620,000	570,717	(49,283)
Total Revenues	<u>620,000</u>	<u>620,000</u>	<u>570,717</u>	<u>49,283</u>
<b>Other Financing Sources:</b>				
Operating transfer in -				
Matching funds	-	-	-	-
Additional transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>620,000</u>	<u>620,000</u>	<u>570,717</u>	<u>(49,283)</u>
<b>Expenditures:</b>				
Current:				
Employment services	620,000	620,000	570,717	49,283
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>620,000</u>	<u>620,000</u>	<u>570,717</u>	<u>49,283</u>
<b>Other Financing Uses:</b>				
Operating transfer in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

See independent auditors' report  
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**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
MAJOR FUND-UPWP #52  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Intergovernmental-federal	\$ 1,869,840	1,874,628	982,053	(892,575)
Intergovernmental-state	112,058	112,058	59,134	(52,924)
Total Revenues	<u>1,981,898</u>	<u>1,986,686</u>	<u>1,041,187</u>	<u>945,499</u>
<b>Other Financing Sources:</b>				
Operating transfer in - Matching funds	<u>215,328</u>	<u>215,328</u>	<u>113,240</u>	<u>(102,088)</u>
Total revenues and other financing sources	<u>2,197,226</u>	<u>2,202,014</u>	<u>1,154,427</u>	<u>(1,047,587)</u>
<b>Expenditures:</b>				
Current:				
General government	2,083,112	2,087,900	1,040,313	1,047,587
Capital Outlay	<u>114,114</u>	<u>114,114</u>	<u>114,114</u>	<u>-</u>
Total Expenditures	<u>2,197,226</u>	<u>2,202,014</u>	<u>1,154,427</u>	<u>1,047,587</u>
 Change in fund balance	 <u>\$ -</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>

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**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
MAJOR FUND- COMMUTER RAIL PLANNING # 85a #88 and #87  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Intergovernmental-federal	17,290,300	20,090,600	1,133,082	(18,957,518)
Total Revenues	\$ 17,290,300	20,090,600	1,133,082	(18,957,518)
<b>Other Financing Sources:</b>				
Operating transfer in - Matching funds	-	-	-	-
Additional transfers	-	-	-	-
Total revenues and other financing sources	17,290,300	20,090,600	1,133,082	(18,957,518)
<b>Expenditures:</b>				
Current:				
General government	16,990,300	19,790,600	869,671	18,920,929
Capital Outlay	300,000	300,000	263,411	36,589
Total Expenditures	17,290,300	20,090,600	1,133,082	18,957,518
<b>Other Financing Uses:</b>				
Operating transfer out	-	-	-	-
Change in fund balance	-	-	-	-

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**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
MAJOR FUND- COMMUTER RAIL #89, #91  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Current Year Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>				
Intergovernmental-federal	13,700,000	14,700,000	14,672,301	(27,699)
Local sources	<u>3,590,300</u>	<u>5,390,600</u>	<u>5,360,790</u>	<u>(29,810)</u>
Total Revenues	\$ <u>17,290,300</u>	<u>20,090,600</u>	<u>20,033,091</u>	<u>(57,509)</u>
<b>Other Financing Sources:</b>				
Operating transfer in -				
Matching funds	-	-	-	-
Additional transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues and other financing sources	<u>17,290,300</u>	<u>20,090,600</u>	<u>20,033,091</u>	<u>(57,509)</u>
<b>Expenditures:</b>				
Current:				
General government	17,290,300	20,090,600	20,033,091	57,509
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>17,290,300</u>	<u>20,090,600</u>	<u>20,033,091</u>	<u>57,509</u>
<b>Other Financing Uses:</b>				
Operating transfer out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

See independent auditors' report  
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**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS  
JUNE 30, 2009**

ASSETS

Cash and cash equivalents	\$	501,394
Accounts receivable		<u>3,403,442</u>
Total assets	\$	<u><u>3,904,836</u></u>

LIABILITIES

Accounts payable	\$	3,122,523
Held for others		302,009
Interfund payable		<u>480,304</u>
Total liabilities	\$	<u><u>3,904,836</u></u>

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Entity**

The Mid Region Council of Governments (MR COG) is an association of local governments within the State's Planning District Number 3. The Council was established on December 11, 1969, under the authority of the Regional Planning Act and under the Joint Powers Act. Membership is available to all governmental units within District 3, which is composed of four counties: Bernalillo, Sandoval, Torrance, and Valencia.

Mid Region Council of Governments of New Mexico's former name was the Middle Rio Grande Council of Governments of New Mexico, and the name change was effective June 13, 2002.

The Council provides a variety of services to its member governments and is funded through a combination of participation fees, federal, state, and other grants. Services provided include planning and other technical assistance in the fields of transportation, economic development, ordinances, zoning, and other special projects as requested.

The Council is the primary government and is not a component unit of any other entity. It is the financial reporting entity, and it did not have any component units during the fiscal year ended June 30, 2009.

The accounting policies of the Council conform to accounting principles generally accepted in the United States of America as applicable to governmental units.

In June 1999, the GASB unanimously approved Statement #34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

The Council implemented the provisions of GASB #34 and its later amendments effective July 1, 2003.

The following is a summary of the more significant policies:

**B. Reporting Entity**

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. The Council is the primary government and the reporting entity. Included in these financial statements are all accounts over which the Council has control or for which the Council has responsibility as the fiscal agent. There are no component units.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**C. Basic Financial Statements – GASB Statement #34**

The basic financial statements include both government-wide (based on the Council as a whole) and fund financial statements. The new reporting model focus is on either the Council as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type activities. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on an economic resources measurement focus and the accrual basis of accounting, which incorporates long-term assets and receivables as well as long-term debt and obligations. The Council did not have any business-type activities during the year ended June 30, 2009.

Neither fiduciary funds nor component units that are fiduciary in nature are included in the government-wide financial statements.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (education, labor, transportation, etc.) which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, charges for services, operating, and capital grants. The Council reports several functions as reflected in the Statement of Activities. Program revenues consist of grants received for specific projects.

The net cost (by function or business-type activity) is normally covered by general revenues (taxes, intergovernmental revenues, interest income, etc.). Historically, the previous model did not summarize or present net cost by function or activity. The Council does currently employ indirect cost allocation systems.

This government-wide focus is more on the sustainability of the Council as an entity and in aggregate financial position resulting from the activities of the current fiscal period. The government-wide financial statements are prepared in accordance with generally accepted accounting principles generally accepted in the United States of America (GAAP). MRCOG applies Financial Accounting Standards Board (FASB) pronouncements and accounting principles board opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements in which case, GASB prevails.

Interfund activity is eliminated in the government-wide financial statements. There was no internal service fund activity which needed to be eliminated for year of 2009.

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds in either the

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

governmental or business-type categories. Non-major funds (by category) are summarized into a single column.

**D. Basis of Presentation-Fund Financials**

The governmental fund statements are presented on a current financial resources measurement focus and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the Council's actual experience conforms to the budget of fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page of each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column on the governmental-wide presentation.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function. Program revenues derive directly from the program itself or from parties outside the reporting governments citizenry or funding sources as a whole include 1) charges for services from MRCOG's contracts with others 2) grants that are restricted to meeting the operations or capital requirements of a particular function such as administration and planning functions for WIA, UPWP, Commuter rail projects and other smaller programs.

The financial transactions of the Council are recorded in individual funds, each of which is considered a separate accounting entity. The various fund types are reported in the fund financial statements, as follows:

*Governmental Fund Types-* Governmental funds are used to account for the Council's expendable financial resources and related liabilities. The measurement focus is based upon determination of changes in financial position. The following are the Council's governmental fund types:

*General Fund-* The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds-* The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

*Agency Funds-* The Agency Funds accounts for the funds of a separate entity, the State of New Mexico Workforce Connection of Central New Mexico, for which the Council acts as fiscal and administrative agent. Also included in agency funds

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

are those various capital project funds from the State of New Mexico Department of Transportation (DOT) in which the Council acts as its fiscal agent to purchase capital assets for the DOT.

Under the requirements of GASB #34, the Council is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following:

**General Fund** – The primary operating fund of the Council accounts for all financial resources, except those required to be accounted for in other funds.

**Special Revenue Funds – Major Funds:**

**Workforce Investment Act Program** (No. 20) – This fund accounts for the changes for administrative and fiscal services provided by the Council as fiscal agent to the Workforce Connection of Central New Mexico (WCCNM) Board of Directors. These goals support the WCCNM Board’s objectives of operating an effective and efficient workforce development system, and ensure compliance with the Workforce Investment Act (WIA) and all applicable regulations. Funding paid to MRCOG on a cost reimbursement basis.

**Federal Highway Administration Unified Planning Work Program** (No. 52) – Received through the New Mexico State Department of Transportation, it provides for the conduct of the cooperative, coordinated, comprehensive (3c) transportation system planning process for the region with the emphasis on the highway component of the process. Service and products include maintenance of the metropolitan planning organization (MPO) process and provision of traffic data and forecasts, base socio-economic data and forecasts, and special studies and technical assistance for and to the member local governments. These funds are authorized by the U.S. Department of Transportation, Public Law 109-59 Safe, Accountable, Flexible Efficient Transportation Equity Act. Funding paid to MRCOG on a cost reimbursement basis.

**Commuter Rail** (No. 85A, 87, 88) – Provides for the planning and implementation of a Commuter Rail between Belen and Bernalillo involving the investigation, evaluation, and resolution of several elements and budgets. These items include the Market Element, Operational Element, Financial Element, Legal Element, Consultant/Public Awareness/Demonstration Budget, and Requests for Bids Budget. Funding paid to MRCOG on a cost reimbursement basis. These funds are authorized by the State of New Mexico’s Governor Richardson’s Investment Partnership (GRIP) Program.

**Commuter Rail-Operations** (No. 89, 91) – Provides for the operations of the Commuter Rail between Belen and Bernalillo. These funds are also authorized by the U.S. Department of Transportation, Public Law 109-59 Safe, Accountable,

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Flexible Efficient Transportation Equity Act. Funding paid to MRCOG on a cost reimbursement basis.

**E. Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The Government-wide Financial Statements are presented using the economic resources measurement focus and the accrual basis of accounting. The Governmental Funds in the Fund Financial Statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (generally, sixty days). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement #33, which was adopted as of July 1, 2003 by the Council, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient. Grant revenues are not recognized until eligibility requirements are met.

**F. Capital Assets**

Capital assets acquired are recorded as expenditures in the funds which finance the acquisitions and are capitalized at cost and depreciated over their estimated useful lives (no salvage value). Contributed capital assets are recorded at their estimated fair market value at the time received. Additions, including software, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized and interest is not capitalized in regards to the Council's capital assets. The Council's capitalization policy, i.e., the dollar value above which asset acquisitions are added to the capital assets, is \$5,000. Other costs incurred for repairs and maintenance are expensed as incurred.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight line depreciation is used based on the following estimated useful lives:

Furniture, machinery, and equipment	3-10 years
Building	40 years



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GASB Statement #34 requires the recording and depreciation of infrastructure assets, which include roads, bridges, traffic signals, etc. The Council did not own any infrastructure assets as of June 30, 2009.

**G. Encumbrances** - The Council does not use encumbrances.

**H. Budgets and Budgetary Accounting**

The Council's Executive Director prepares an overall budget by project fund for the Council which is adopted by the Board. This Budget includes expected receipts and expenditures of the General Fund. The Council is required to prepare budgets for each program for submission directly to that program's funding source. Each fundings' source has its own requirements as to the timing of budget preparation and interim reports, line items and categories to be used and amounts to be included. Some require a report of grantor expenditures only, while others require a report of total program expenditures. The budgets, used by the Council to monitor each program, are also used for comparisons in the accompanying financial statements. Therefore MRCOG legally approves its budget by total expenditures by fund.

Formal budgetary integration is employed as a management control device during the year. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. There are no differences between the GAAP basis and the budgetary basis because both are modified accrual.

The time at which appropriations lapse depends on the funding source and related legal requirements. Unexpended appropriations funded by all grants do not lapse at the fiscal year-end and may be carried forward.

The level of classification detail at which expenditures may not legally exceed appropriations varies depending on the funding source. The legally permissible methods for amending the initially approved budget vary depending on the funding source. Applications for additional funds must be submitted to the funding source. The presented budgetary information has been properly amended during the year.

**I. Due To and From Other Funds**

Interfund loans represent project costs paid by the General Fund in anticipation of reimbursements from grants in the Special Revenue Funds. When the reimbursements from grants are received, the Inter-fund loans are repaid. Inter-fund activities are eliminated in determining government-wide financial statements.

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**J. Grants and Receivables**

Grant reimbursements receivable represent qualified expenditures made under grant agreements for which reimbursements are due but not yet received. An allowance for doubtful accounts is not provided for, since all receivables are from the federal, state, or local governments and are deemed to be fully collectible. All other receivables are expected to be collected and therefore no allowance has been set up.

**K. Unearned Grant Advances**

Unearned grant advances represent cash received under agreements which have not yet been expended for their intended purposes and are, therefore, unearned.

**L. Net Assets and Fund Balance**

Net assets on the Statement of Net Assets include the following:

Invested in Capital Assets net of debt – the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

Restricted – the component of net assets that reports the difference between assets and liabilities of the Council that consists of assets with constraints placed on their use that are legally enforceable by legislation and the like to be used only for the purposes specified. Note the Council had no restricted net assets as of June 30, 2009

Unrestricted – the difference between the assets and liabilities that is not reported in net assets invested in capital assets or restricted net assets.

In the fund level financial statements, the Council's Board of Directors, the Council has designated \$500,000 of fund balance in the General Fund for the protection of the local member governments, including potential claims against the Council due to financial reductions. The Council applies restricted funds first to expenditures before applying restricted funds when applicable. The Council has also designated \$833,959 of fund balance to pay future accrued compensated liabilities. Designated fund balance represent tentative plans for future use of financial resources.

**M. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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**2. DEPOSIT AND INVESTMENT ACCOUNTS**

The Council invests its funds in accordance with state statutes which require that financial institutions pledge collateral of federal or state securities whose market value is equal to at least 50 percent of the deposits in excess of FDIC insurance coverage made by the Council with a financial institution. Also, the Council in accordance with state statutes may only have deposits in financial institutions, or invest in federal direct obligations or the New Mexico State Treasurer's Local Government Pooled Investments.

Securities which are obligations of the State of New Mexico, its agencies, institutions, counties or municipalities or other subdivisions are accepted at par value; all other securities are accepted at market value. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration.

Custodial credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. The Council's deposit policy is to collateralize one half of the uninsured public money in each account. As of June 30, 2009, the amount of the Council's bank balance of \$2,476,060 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ -
Uninsured and collateral held by pledging bank's trust department not in Council's name	\$2,476,060

The Council's bank balances were collateralized in compliance with the State of New Mexico's state statutes as follows:

*Wells Fargo Bank*

<b>Account Name</b>	<b>Type</b>	<b>Bank Balance</b>
Checking	Demand Deposits	\$1,750,000
Business Savings	Demand Deposits	672,077
Checking-sinking fund	Demand Deposits	51,715
Checking-sandoval easy express	Demand Deposits	2,268
		2,476,060
Less FDIC Coverage		-303,983
Uninsured Balance		2,172,077
50% Collateral Required		\$1,086,039

**Pledged collateral held in the bank's name held**

FNCL, Cusip #3128MS7G9 maturing 6/1/37, market value to be used	\$2,018,255
FNCL, Cusip #31371NNV3 maturing 10/1/37, market value to be used	275,447
	\$2,293,702

Over collateralized \$1,207,664

\*all collateral located at Wells Fargo Bank in San Francisco, CA

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**Bank of Albuquerque**

Cash in sinking fund		
Certificate of deposit per depository		
June 30, 2009 (all interest-bearing deposits)	\$	51,715
Less FDIC Insurance coverage		<u>(51,715)</u>
Over insured balance	\$	<u><u>-</u></u>

Following are the descriptions of the cash and certificates of deposit held as of June 30, 2009:

	<u>Book Balance</u>		<u>Bank Balance</u>
Demand deposit - Wells Fargo Bank, Albuquerque, NM	\$ 3,671,782	\$	1,750,000
Business savings account - Wells Fargo Bank, Albuquerque, NM	672,077		672,077
Demand deposit - Sandoval Easy Express Fares	<u>2,268</u>		<u>2,268</u>
Total	<u>\$ 4,346,127</u>	\$	<u>2,424,345</u>
Demand deposits per bank		\$	2,424,345
Less outstanding checks			(3,307,988)
Deposits in transit			<u>5,229,770</u>
			4,346,127
Reconciled demand deposits (outstanding checks) per Council			
Add:			
Cash on deposit for sinking fund			<u>51,715</u>
Cash and equivalents per financial statements		\$	<u><u>4,397,842</u></u>

MRCOG holds cash and cash equivalents at June 30, 2009 for its Agency Funds as follows—

State of New Mexico Workforce Connection of Central New Mexico (WCCNM)		\$ 421,684
Commuter Rail Fares		<u>79,710</u>
		<u><u>\$ 501,394</u></u>

Because WCCNM entity had its own separate audit, please refer to that audit for its compliance with state statutes regarding cash and cash deposits.

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**3. INTERFUND RECEIVABLES/PAYABLES AND INTERFUND TRANSFERS**

Interfund accounts were as follows at June 30, 2009:

	<u>To</u>	<u>From</u>
Due to Commuter Rail #89 from General fund	\$	1,979,172
General fund due to Commuter Rail #89	1,979,172	
Due to General fund from Workforce fund #20	119,347	
Due to General Fund from UPWP #52	72,271	
Workforce fund #20 due to General fund		119,347
UPWP #52 due to General fund		72,271
Subtotal	2,170,790	2,170,790
Due to nonmajor funds from General fund		553,587
General fund due to nonmajor funds	553,587	
Due from nonmajor funds from General fund		366,358
General fund due ffrom nonmajor funds	366,358	
Subtotal	919,945	919,945
Due from agency fund to General fund	480,304	
Due to General fund from agency fund		480,304
Subtotal	480,304	480,304
Total	\$ 3,571,039	3,571,039

Interfund accounts occur because expenditures are paid for by the General Fund because the Special Revenue Funds are on a reimbursement basis. When the Special Revenue Funds receive the reimbursements from the grantors, the General Fund is repaid. Management expects all of Interfund balances at June 30, 2009 to be repaid within one year.

Interfund transfers for the year ended June 30, 2009 were as follows:

<u>Transfers from General Fund to Special Revenue Funds and agency funds for:</u>	
UPWP/FHWA/NMSHTD #52	\$ 113,240
Transfers to non-major governmental funds	168,429
Total transfers out	\$ 281,669
<u>Transfer to Major Funds from General fund for Matching and additional funds</u>	
UPWP/FHWA/NMSHTD #52	\$ 113,240
Transfers to non-major governmental funds	168,429
Total transfers in	\$ 281,669

Matching funds transfers are made by the General Fund as required to meet the matching requirements of grants.

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**4. CAPITAL ASSETS**

A summary of changes in capital assets follows June 30:

	<u>Balance 06/30/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/09</u>
<b>CAPITAL ASSETS</b>				
Nondepreciable				
Land	\$ 683,800	-	-	683,800
Depreciable				
Building	2,792,822	-	-	2,792,822
Furniture, Equipment and Machinery	567,432	419,260	-	986,692
Total assets	<u>4,044,054</u>	<u>419,260</u>	<u>-</u>	<u>4,463,314</u>
Accumulated Depreciation				
Building	(182,355)	(69,820)	-	(252,175)
Furniture, Equipment and Machinery	(388,658)	(89,534)	-	(478,192)
Total accumulated depreciation	<u>(571,013)</u>	<u>(159,354)</u>	<u>-</u>	<u>(730,367)</u>
Net Capital assets	<u>\$ 3,473,041</u>	<u>259,906</u>	<u>-</u>	<u>3,732,947</u>

Furniture, Equipment and Machinery have been provided from grants accounted for as Special Revenue Funds in the amount of \$43,676.

The Council also had on hand at June 30, 2009 \$17,298 in surplus equipment which is included in the capital assets total of \$593,845. Council also has \$75,166 of routers purchased for its agency fund Commuter Rail that is in Council's possession but is not owned by Council and therefore not depreciated.

Depreciation expense for the year ended June 30, 2009 was \$159,354. It was charged to the functions in the Statement of Activities as follows:

General activities	\$ 41,376
Transportation planning	28,739
Commuter rail project	78,765
Employment services	3,492
Other nonmajor programs	6,982
Total depreciation	<u>\$ 159,354</u>

**5. ACCRUED VACATION AND SICK LEAVE**

The amount of annual vacation leave that employees of the Council earn depends on their length of service with the Council. The total number of hours which can be earned ranges from a minimum of 100 hours per year to a maximum of 192.14 hours per year. Any vacation leave in excess of a 24 month total which remains unused at the end of each calendar year is forfeited.

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A total of 96 sick leave per year may be accumulated by each employee. Employees are paid for the accumulated sick leave upon retirement or lay-off. There is no maximum number of sick leave hours which can be accumulated. The amount payable on retirement is equal to the number of hours of unpaid earned sick leave.

The Council accrues a liability for vacation and sick leave when the following criteria are met:

1. The Council's obligation relating to employee's rights to receive compensation for future absences is attributable to employee's services already rendered.
2. The obligation related to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria, the Council has accrued a liability using payroll rates in effect at June 30, 2009, for vacation and sick leave which has been earned but not taken by Council employees. The liability for sick leave is accrued at the level available upon retirement. The monthly accrual of vacation and sick leave is charged to grant programs under the Council's Cost Allocation and Indirect Cost Plan.

The accumulation leave for the year ended June 30, 2009, has been recorded as a liability in the Government-Wide Statement of Net Assets as current portion due (\$138,993) and long-term portion due (\$694,966). Typically General fund are used to liquidate this liability. Detail of accumulated leave for the year is as follows:

<u>2008</u>			<u>2009</u>
<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
\$696,831	460,572	206,458	\$833,959

**6. PERA PENSION PLAN**

*Plan Description* – All of the full-time employees of the Council participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at [www.pera.state.nm.us](http://www.pera.state.nm.us).

*Funding Policy* – Plan members are required to contribute 9.15% of their gross salary. The Council is required to contribute 13.15% of the gross share. The contribution requirements of plan members and the Council are established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the Legislature. The Council contributions to PERA for the years ended June 30, 2009, 2008, and 2007 were \$614,077, \$508,148, and \$461,467, respectively, equal to the amount of the required contributions for each year.

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**7. CITY OF ALBUQUERQUE SERVICES**

The City of Albuquerque provides administrative support to the Council for payroll, personnel, computer services, legal and risk management, among other things, under a contractual agreement. Administrative fees for these services for the year ended June 30, 2009 were \$34,279. As of June 30, 2009, \$1,313,161 was owed to the City of Albuquerque for administrative fees, payroll, payroll taxes, and PERA contributions.

**8. INSURANCE COVERAGE**

The Council is subject to various risks of loss, which are covered through the purchase of commercial insurance and participation in the City of Albuquerque’s Risk Management Pool. The following insurance coverage was in effect at June 30, 2009:

<u><b>Insurer and Policy Type</b></u>	<u><b>Term</b></u>	<u><b>Coverage</b></u>
<b>New Mexico Mutual Casualty Co.</b> (Worker’s Compensation)	7/1/08 – 6/30/09	Injury by accident (\$100,000 each accident) Bodily injury by disease (\$100,000 each employee) Bodily injury by disease (\$500,000 policy limit)
Office contents – fire, theft risk	12/15/08 – 12/15/09	Traffic Counters \$103,500 Business personal property Computers \$300,000 Fine Arts \$39,000
<b>Bernalillo County</b>		
Commercial general liability	7/1/08 – 6/30/09	\$1,000,000 each occurrence \$2,000,000 general aggregate limit
Auto liability - Employee’s car for company business	12/15/08 – 12/15/09	\$1,000,000 each accident
<b>City of Albuquerque Risk Management Fund:</b>		Covered under limits of the Tort Claims Act of NM
Auto vehicles liability - Council owned	Continuous policy	\$1,000,000 – Property damage \$1,000,000 –per person for single occurrence \$1,050,000 – Total damages in any single occurrence

**9. POST- EMPLOYMENT BENEFITS**

*Plan Description.* The Council contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance



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and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

*Funding Policy.* The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us).

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

For the fiscal years ended June 30, 2009, 2008 and 2007, the Council remitted \$41,410, \$34,171, and \$31,285, respectively, in employer contributions to the Retiree Health Care Authority.

**10. CONTINGENCIES**

Amounts received or receivable from the grantors are subject to audit and adjustment by those grantors. Any disallowed claims, including amounts already collected, may constitute a liability of the Council. The amount, if any, of expenditures which may be disallowed by those grantors cannot

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be determined at this tie, although the Council’s management expects such amounts, if any, to be immaterial.

**11. AGENCY FUNDS**

The Council began operating as the fiscal agent for the State of New Mexico, Workforce Connection of Central New Mexico on July 1, 2003. The federal expenditures of that entity are not reflected in the Council’s Schedule of Expenditures of Federal Awards.

The auditors of the separate financial statements of State of New Mexico, Workforce Connection of Central New Mexico issued an unqualified opinion on the financials statements for the fiscal year ended June 30, 2009.

Also, beginning with the year ended June 30, 2005 the Council was contracted to be the fiscal and administrative agent for the commuter rail project for the State of New Mexico Department of Transportation. Details of each agency fund can be found in supplementary information.

**12. GENERAL APPROPRIATIONS**

Special appropriations for capital outlay and special appropriations from the Department of Finance and Administration were as follows:

<u>Project Description</u>	<u>Project Number</u>	<u>Appropriation Period</u>	<u>Original Appropriation</u>	<u>Expenditures to Date</u>	<u>Outstanding Balance</u>	<u>Project Status</u>
<u>Capital appropriations:</u>						
MRCOG Office Bldg Renovations	07-L-G-4984	7/1/2007 to 6/30/2011	\$ 50,000	48,841	1,159	Ongoing
MRCOG Office Bldg Renovations	08-L-G-4156	7/1/2008-6/30/2012	\$ 10,000	-	10,000	Ongoing
<u>Non capital appropriations:</u>						
High Technology Mentoring Program	08-L-G-1044	7/1/2008 to 6/30/2009	23,200	23,198	2	Closed
<u>Business Recruitment</u>	08-L-G-1045	7/1/2008 to 6/30/2009	9,300	9,300	-	Closed
<u>Regional Jail System</u>	08-L-G-1046	7/1/2008 to 6/30/2009	27,800	27,800	-	Closed
<u>Transit Oriented Development</u>	06-L-G-1907	7/1/2006 to 6/30/2010	800,000	635,716	164,284	Ongoing
Total Special and Capital Outlay appropriations			<u>\$ 920,300</u>	<u>744,855</u>	<u>175,445</u>	

The above schedule provides project appropriations in total for the project durations. Current year activity is budgeted for each project in the funds listed accordingly provided as other supplementary information, therefore the total figures would not necessarily match the original appropriation total overall.

The Council recognizes project revenue on a cost reimbursement basis per the agreement with Department of Finance and Administration, therefore, no receivable has been booked for projects with outstanding balances.

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**13. CHANGES IN LONG TERM DEBT**

A Summary of changes in long-term for the year ended June 30, 2009 is as follows:

Building and Land located at 809 Copper Ave. NE  
Lessor-Bernalillo County  
Term-25 years beginning August 2005  
This note is expected to be paid using general fund revenues.  
Schedule of Capital Lease Payable:

Year Ended June 30:	<u>Principal</u>	<u>Interest</u>
2010	68,333	90,763
2011	68,334	88,632
2012	73,333	86,500
2013	73,334	84,175
2014	83,333	76,500
2015-2020	413,332	302,402
2021-2026	507,222	268,852
2026-2029	760,000	139,000
Total	<u>2,047,222</u>	<u>1,136,825</u>
Remaining principal balance	<u>2,047,222</u>	
Less Current portion	<u>68,333</u>	
Long term portion of debt	<u>\$ 1,978,889</u>	

	<u>2008</u>	<u>Adjustment/ Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental fund debt:					
Capital lease	\$ 2,110,556	-	(63,333)	2,047,223	68,333

General revenue and special revenue funds are used to pay long term debt as allocated by the Council's indirect cost allocation plan.

**SUPPLEMENTARY INFORMATION**

## NON-MAJOR SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS – are used to account for various grants from Federal, State, and Local agencies and other sources which are restricted by the granting agency to use for expenditures for specified purposes. The following is a description of the purpose of the Non-major Special Revenue Funds.

*Building (No. 15, 16 and 17)* (Separate fund required by grantor) - Provides for renovation of building.

*Temporary Assistance for Needy Families (TANF) (No. 22 and 23)* (Separate fund required by grantor)- Provides for the operations of the TANF program that is being administered under the Workforce Connection of Central New Mexico. Provides for transition of TANF program from Workforce Connection of Central NM to NM Department of Health and Human Services.

*Orthoimagery (No. 29)* (Separate fund required by grantor) – Provides for the acquirement of aerial photography, production of high resolution natural color digital orthorectified imagery (orthoimagery) and produce digital terrain/elevation surface data for project areas located in Bernalillo, Valencia, Sandoval, Santa Fe, and Torrance Counties in New Mexico.

*Regional Planning Organization Work Program – Federal Highway Administration (No. 33)* (Separate fund required by grantor) – Provides for the conduct of a transportation planning process within State Planning and Development District 3 but outside the Albuquerque Metropolitan Planning Area as part of the overall statewide transportation planning process conducted by the NM State Department of Transportation as required by Intermodal Surface Transportation Efficiency Administration.

*ONRT-Bosque Trails Renovation (No. 34)* (Separate fund required by grantor) – Provides for the conduct of planning, design and development of trail extensions along the Rio Grande from the northern terminus of the existing trail at Alameda to the Town of Bernalillo and south to the City of Belen.

*Mid-Region Transit District (No. 36 and 37)* (Separate fund required by grantor) – Provides for the development of a Service Plan and initiation of a Regional Transit District formation. This will be accomplished by assisting in the preparation of the Metropolitan Transportation Plan and assisting in evaluation and prioritization of projects and initiatives brought forth through the Transportation Improvement Program (TIP) development process.

*Commuter Rail Shuttle (No. 41)* Required by grantor, funds awarded to MRCOG to provide shuttle transportation to and from the rail runner stations.

*Federal Transit Administration - Unified Planning Work Program (No. 53)* (Separate fund required by grantor) – Provides for the conduct of the cooperative, coordinated, comprehensive (3c) transportation systems planning process and metropolitan planning organization (MPO) function with emphasis on regional public transportation. Provides technical assistance to the City of Albuquerque’s Transit and Parking Department in public transportation planning.

*Bosque Trails Extension (No. 58)* – (Separate fund required by grantor) - Provides for the extension and improvement of the Bosque Trails in the planning area.

*Consolidated Traffic Counting Program (No. 67)* (Separate fund required by grantor) - Provides the base data for the travel surveillance activities as part of the transportation systems planning carried out for the Albuquerque Metropolitan Planning Area through the collection of traffic data, including machine counts measuring volume and vehicle type by 15 minute intervals and manual counts measuring volume and vehicle type of 15 minute intervals and manual counts measuring vehicle movements through selected intersections.

*Economic Development Administration (No. 70 and 72)* (Separate fund required by grantor) – Provides for technical assistance in the development of projects including the preparation of applications for Economic Development Administration and other assistance and maintenance of the Overall Economic Development Program and other data bases.

*Belen Strategic Growth (No. 76)* (Separate fund required by grantor) – Provides for the development of a comprehensive plan for the City.

*Encino Comprehensive Plan (No. 77)* (Separate fund required by grantor) – Provides for the development of a comprehensive plan for the village.

*San Ysidro Comprehensive Plan (No. 78)* (Separate fund required by grantor) – Provides for the development of a comprehensive plan for the village.

*Regional Water Planning (No. 81)* (Separate fund required by grantor) – Provides for the development of a model water conservation plan and assist local governments in adopting water conservation programs.

*Corrales Comprehensive Plan (No. 83)* (Separate fund required by grantor) – Provides for the development of a comprehensive plan for the village.

*Transit Oriented Development (No. 84)* (Separate fund required by grantor) – Provides for the planning, design, and improvement of land and facilities located adjacent to the Rail Runner Express stations.

*Locality Planning Assistance (No. 93)* (Separate fund required by grantor) – Provides for technical assistance to member governments in the development of plans and programs including developing or updating ordinances, zoning codes, and long-range strategies.

*Photovalic system (No. 213)* (Separate fund required by grantor) – Provides for purchase of photo monitoring for rail services.

*Kirtland Air Force Base Joint Land Use Study (No. 310)* (Separate fund required by grantor) – Funding provided by the U.S. Department of Defense, Office of Economic Adjustment, to encourage collaborative planning between Kirtland Air Force Base and the surrounding local jurisdictions.

*Rio Metro Service Schedule (No. 410)* – Funds awarded to MRCOG to undertake transportation planning for Rio Metro planning schedules.

*RTD Sandoval (No. 435)* (Separate fund required by grantor)-Funding provided to provide regional transit services in the Sandoval County area.

*New Freedom (No. 452,453)* (Separate fund required by grantor) – Funding provided by the Federal Transit Administration Section 5317 funds to improve access to transportation services for Americans with Disabilities.

*Job Access and Reverse Commute (No. 450,451)* (Separate fund required by grantor) – Funding provided by the Federal Transit Administration to improve access to transportation services for welfare and eligible low-income individuals who are going to employment and employment-related activities.

*TANF Transportation Broker (No. 455 and 456)* (Separate fund required by grantor) – Funding provided by the New Mexico Department of Human Services to increase the number of Temporary Assistance for Needy Families (TANF) clients utilizing the available public transportation services.

*Los Lunas Corridor Study (No. 470)* (Separate fund required by grantor)-Funding provided to provide transportation studies for Los Lunas area.

*Region III Housing (No. 475)* (Separate fund required by grantor)-Funding provided to provide management functions to the Region III Housing Authority.

*Regional Criminal Justice (No. 480)* (Separate fund required by grantor)- Funding provided to coordinate alternatives to incarceration, to increase communication relative to safety and decrease the cost of incarceration in the region.

*Modern Street Car Project (No. 460)* (Separate fund required by grantor) – Funding provided by the City of Albuquerque to conduct an evaluation and review of the City's Modern Street Car project.

**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
COMBINING BALANCE SHEET -  
ALL NON-MAJOR SPECIAL REVENUE FUNDS  
AS OF JUNE 30, 2009**

	<b>BUILDING #16</b>	<b>TANF #22/23</b>	<b>ORTHO #29</b>	<b>RPO #33</b>	<b>ONRT BOSQUE #34</b>	<b>MRTD FEDERAL #36</b>	<b>MRTD STATE #37</b>	<b>Rail Shuttle #41</b>	<b>UPWP FTA NMSHTD #53</b>	<b>BOSQUE TRAILS EXTENSION #58</b>
<b>ASSETS</b>										
Cash and cash equivalents	\$ -	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	143,802	-	14,147	-	-	-	-	153,012
Grant reimbursements receivable	14,906	25,089	-	4,054	-	-	-	225,000	-	-
<b>Total assets</b>	<b>\$ 14,906</b>	<b>25,089</b>	<b>143,802</b>	<b>4,054</b>	<b>14,147</b>	<b>-</b>	<b>-</b>	<b>225,000</b>	<b>-</b>	<b>153,012</b>
<b>LIABILITIES</b>										
Accounts payable	\$ -	1,569	-	142	-	-	-	175,000	-	3,097
Accrued Liabilities	-	-	-	-	-	-	-	-	-	-
Due to other funds	14,906	23,520	-	3,912	-	-	-	50,000	-	-
Due to other agencies	-	-	-	-	-	-	-	-	-	-
Unearned grant advances	-	-	143,802	-	14,147	-	-	-	-	149,915
<b>Total liabilities</b>	<b>14,906</b>	<b>25,089</b>	<b>143,802</b>	<b>4,054</b>	<b>14,147</b>	<b>-</b>	<b>-</b>	<b>225,000</b>	<b>-</b>	<b>153,012</b>
<b>FUND BALANCES</b>										
Unreserved	-	-	-	-	-	-	-	-	-	-
<b>Total liabilities and fund balances</b>	<b>\$ 14,906</b>	<b>25,089</b>	<b>143,802</b>	<b>4,054</b>	<b>14,147</b>	<b>-</b>	<b>-</b>	<b>225,000</b>	<b>-</b>	<b>153,012</b>

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**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
COMBINING BALANCE SHEET -  
ALL NON-MAJOR SPECIAL REVENUE FUNDS  
AS OF JUNE 30, 2009**

	<b>CTCP #67</b>	<b>EDA #70/72</b>	<b>BELEN STRATEGIC GROWTH #76</b>	<b>ENCINO COMP #77</b>	<b>SAN YSIDRO COMP #78</b>	<b>REGIONAL WATER PLANNING #81</b>	<b>TRANSIT ORIENTED DEVELOP. #84</b>	<b>LPA #93</b>	<b>PHOTO- VOLTAIC SYSTEM #213</b>
<b>ASSETS</b>									
Cash and cash equivalents	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Due from other funds		4,918	-	-	-	-	-	344	56,015
Grant reimbursements receivable	12,542	-	35,904	25,628	-	-	9,102	-	-
<b>Total assets</b>	<b>12,542</b>	<b>4,918</b>	<b>35,904</b>	<b>25,628</b>	<b>-</b>	<b>-</b>	<b>9,102</b>	<b>344</b>	<b>56,015</b>
<b>LIABILITIES</b>									
Accounts payable	55	2,193	-	-	-	-	-	344	21,250
Accrued Liabilities	-	-	-	-	-	-	-	-	-
Due to other funds	12,487		35,904	25,628	-	-	9,102	-	-
Due to other agencies	-	-	-	-	-	-	-	-	-
Unearned grant advances	-	2,725	-	-	-	-	-	-	34,765
<b>Total liabilities</b>	<b>12,542</b>	<b>4,918</b>	<b>35,904</b>	<b>25,628</b>	<b>-</b>	<b>-</b>	<b>9,102</b>	<b>344</b>	<b>56,015</b>
<b>FUND BALANCES</b>									
Unreserved	-	-	-	-	-	-	-	-	-
<b>Total liabilities and fund balances</b>	<b>12,542</b>	<b>4,918</b>	<b>35,904</b>	<b>25,628</b>	<b>-</b>	<b>-</b>	<b>9,102</b>	<b>344</b>	<b>56,015</b>

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**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
COMBINING BALANCE SHEET -  
ALL NON-MAJOR SPECIAL REVENUE FUNDS  
AS OF JUNE 30, 2009**

	<b>KAFB LAND USE STUDY #310</b>	<b>RIO METRO SERVICE SCHEDULES #410</b>	<b>RTD SANDOVAL #435</b>	<b>JARC ADMIN #450</b>	<b>JOB ACCESS REVERSE COMMUTE #451</b>	<b>NEW FREEDOM ADMIN #452</b>	<b>NEW FREEDOM PROGRAM #453</b>	<b>TANF TRANS BROKER #455, 456</b>
<b>ASSETS</b>								
Cash and cash equivalents	-	-	2,268	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Due from other funds	-	-	12,868	-	-	-	14,968	44,254
Grant reimbursements receivable	147,154	18,531	222,078	2,911	31,415	1,932	-	66,161
<b>Total assets</b>	<b>147,154</b>	<b>18,531</b>	<b>237,214</b>	<b>2,911</b>	<b>31,415</b>	<b>1,932</b>	<b>14,968</b>	<b>110,415</b>
<b>LIABILITIES</b>								
Accounts payable	48,762	964	225,547	-	30,340	-	-	110,415
Accrued Liabilities	-	-	-	-	-	-	-	-
Due to other funds	98,392	17,567	-	2,911	1,075	1,932	-	-
Due to other agencies	-	-	-	-	-	-	-	-
Unearned grant advances	-	-	11,667	-	-	-	14,968	-
<b>Total liabilities</b>	<b>147,154</b>	<b>18,531</b>	<b>237,214</b>	<b>2,911</b>	<b>31,415</b>	<b>1,932</b>	<b>14,968</b>	<b>110,415</b>
<b>FUND BALANCES</b>								
Unreserved	-	-	-	-	-	-	-	-
<b>Total liabilities and fund balances</b>	<b>147,154</b>	<b>18,531</b>	<b>237,214</b>	<b>2,911</b>	<b>31,415</b>	<b>1,932</b>	<b>14,968</b>	<b>110,415</b>

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**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
COMBINING BALANCE SHEET -  
ALL NON-MAJOR SPECIAL REVENUE FUNDS  
AS OF JUNE 30, 2009**

	<b>MODERN STREET CAR #460</b>	<b>LAS LUNAS CORRIDOR STUDY #470</b>	<b>REGION III HOUSING AUTHORITY #475</b>	<b>REGIONAL CRIMINAL JUSTICE #480</b>	<b>TOTAL</b>
<b>ASSETS</b>					
Cash and cash equivalents	-	-	-	-	2,268
Other receivables	-	-	-	-	-
Due from other funds	-	-	-	109,259	553,587
Grant reimbursements receivable	-	129,129	7,031	-	978,567
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	-	129,129	7,031	109,259	1,534,422
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES</b>					
Accounts payable	-	65,869	1,269	3,486	690,302
Accrued Liabilities	-	-	-	-	-
Due to other funds	-	63,260	5,762	-	366,358
Due to other agencies	-	-	-	-	-
Unearned grant advances	-	-	-	105,773	477,762
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	-	129,129	7,031	109,259	1,534,422
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>FUND BALANCES</b>					
Unreserved	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	-	129,129	7,031	109,259	1,534,422
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN  
FUND BALANCES  
ALL NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<b>BUILDING #15,16,17</b>	<b>TANF #22/23</b>	<b>ORTHO #29</b>	<b>RPO #33</b>	<b>ONRT BOSQUE #34</b>	<b>MRTD FEDERAL #36</b>	<b>MRTD STATE #37</b>	<b>RAIL SHUTTLE #41</b>	<b>UPWP/FTA/ NMSHTD #53</b>	<b>BOSQUE TRAILS EXTENSION #58</b>
Intergovernmental:										
Federal	\$ -	427,933	-	61,764	-	83,863	-	-	244,813	-
State	14,906	-	35,316	-	361,209	14,291	9,113	-	-	84,536
Local	-	-	-	-	-	-	-	463,955	-	-
Local -MRCOG Match and additional	-	5,302	-	13,422	-	-	-	-	61,203	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Interest and other	-	-	-	-	-	-	-	-	-	-
Total revenues	<u>14,906</u>	<u>433,235</u>	<u>35,316</u>	<u>75,186</u>	<u>361,209</u>	<u>98,154</u>	<u>9,113</u>	<u>463,955</u>	<u>306,016</u>	<u>84,536</u>
EXPENDITURES:										
Current:										
Operating	9,174	422,848	48	74,831	10,369	87,241	2,806	-	284,830	55,024
Contractual	5,732	10,387	35,268	355	350,840	10,913	6,307	463,955	21,186	29,512
Capital outlay	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>14,906</u>	<u>433,235</u>	<u>35,316</u>	<u>75,186</u>	<u>361,209</u>	<u>98,154</u>	<u>9,113</u>	<u>463,955</u>	<u>306,016</u>	<u>84,536</u>
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN  
FUND BALANCES  
ALL NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<b>CTCP #67</b>	<b>EDA #70/72</b>	<b>BELEN STRATEGIC GROWTH #76</b>	<b>ENCINO COMP #77</b>	<b>SAN YSIDRO COMP #78</b>	<b>REGIONAL WATER PLANNING #81</b>	<b>TRANSIT ORIENTED DEVELOP. #84</b>	<b>LPA #93</b>	<b>PHOTO- VOLTAIC SYSTEM #213</b>
<b>Intergovernmental:</b>									
Federal	171,797	71,651	35,904	23,302	(1,603)	-	-	-	-
State	15,071	-	-	-	-	10,000	170,785	121,979	42,500
Local	-	24,286	-	-	-	-	-	-	-
Local -MRCOG Match and additional	20,456	31,444	-	-	-	-	-	20,817	-
Charges for services	-	-	-	-	-	-	-	-	-
Interest and other	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>207,324</b>	<b>127,381</b>	<b>35,904</b>	<b>23,302</b>	<b>(1,603)</b>	<b>10,000</b>	<b>170,785</b>	<b>142,796</b>	<b>42,500</b>
<b>EXPENDITURES:</b>									
<b>Current:</b>									
Operating	206,368	87,637	35,748	23,302	(1,603)	9,972	49,604	142,142	-
Contractual	956	39,744	156	-	-	28	121,181	654	765
Capital outlay	-	-	-	-	-	-	-	-	41,735
<b>Total expenditures</b>	<b>207,324</b>	<b>127,381</b>	<b>35,904</b>	<b>23,302</b>	<b>(1,603)</b>	<b>10,000</b>	<b>170,785</b>	<b>142,796</b>	<b>42,500</b>
<b>Change in fund balance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance, beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN  
FUND BALANCES  
ALL NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<b>KAFB LAND USE STUDY #310</b>	<b>RIO METRO SERVICE SCHEDULES #410</b>	<b>RTD SANDOVAL #435</b>	<b>JARC ADMIN #450</b>	<b>JOB ACCESS REVERSE COMMUTE #451</b>	<b>NEW FREEDOM ADMIN #452</b>	<b>NEW FREEDOM PROGRAM #453</b>	<b>TANF TRANS BROKER #455, 456</b>
<b>Intergovernmental:</b>								
Federal	189,876	18,531	911,834	22,198	263,102	13,287	-	640,298
State	9,946	-	-	-	-	-	-	-
Local	-	-	491,388	-	-	-	-	-
Local -MRCOG Match and additional	11,152	4,633	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Interest and other	-	-	1	-	-	-	-	-
<b>Total revenues</b>	<b>210,974</b>	<b>23,164</b>	<b>1,403,223</b>	<b>22,198</b>	<b>263,102</b>	<b>13,287</b>	<b>-</b>	<b>640,298</b>
<b>EXPENDITURES:</b>								
<b>Current:</b>								
Operating	210,974	22,103	80,223	22,198	7,809	13,025	-	95,274
Contractual	-	1,061	1,323,000	-	255,293	262	-	545,024
Capital outlay	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>210,974</b>	<b>23,164</b>	<b>1,403,223</b>	<b>22,198</b>	<b>263,102</b>	<b>13,287</b>	<b>-</b>	<b>640,298</b>
Change in fund balance	-	-	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-	-
Fund balance, end of year	-	-	-	-	-	-	-	-

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**MID REGION COUNCIL OF GOVERNMENTS  
OF NEW MEXICO  
COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN  
FUND BALANCES  
ALL NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<b>MODERN STREET CAR #460</b>	<b>LOS LUNAS CORRIDOR STUDY #470</b>	<b>REGION III HOUSING AUTHORITY #475</b>	<b>REGIONAL CRIMINAL JUSTICE #480</b>	<b>TOTAL</b>
Intergovernmental:					
Federal	-	-	-	-	3,178,550
State	45,534	178,753	-	27,800	1,141,739
Local	-	-	26,814	121,238	1,127,681
Local -MRCOG Match and additional	-	-	-	-	168,429
Charges for services	-	-	-	-	-
Interest and other	-	-	-	-	1
Total revenues	<u>45,534</u>	<u>178,753</u>	<u>26,814</u>	<u>149,038</u>	<u>5,616,400</u>
EXPENDITURES:					
Current:					
Operating	45,534	178,753	22,863	131,334	2,330,431
Contractual	-	-	3,951	17,704	3,244,234
Capital outlay	-	-	-	-	41,735
Total expenditures	<u>45,534</u>	<u>178,753</u>	<u>26,814</u>	<u>149,038</u>	<u>5,616,400</u>
Change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

See independent auditors' report  
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part of these financial statements.

**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
BUDGET AND ACTUAL  
NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	<b>SPECIAL REVENUE FUNDS</b>											
	<b>BUILDING STATE CAPITAL #17,16,15</b>				<b>TANF #22/23</b>				<b>Ortho #29</b>			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Loan proceeds	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	-	-	-	-	350,000	450,000	427,933	(22,067)	172,250	141,063	-	(141,063)
Intergovernmental-state	26,065	26,065	14,906	(11,159)	-	-	-	-	-	-	35,316	-
Local match	-	-	-	-	-	-	5,302	5,302	-	-	-	-
				-				-				-
Total revenues	<u>26,065</u>	<u>26,065</u>	<u>14,906</u>	<u>(11,159)</u>	<u>350,000</u>	<u>450,000</u>	<u>433,235</u>	<u>(16,765)</u>	<u>172,250</u>	<u>141,063</u>	<u>35,316</u>	<u>(105,747)</u>
Expenditures:												
Current:												
General government	26,065	26,065	14,906	11,159	350,000	450,000	433,235	16,765	172,250	141,063	35,316	105,747
Noncurrent:	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
				-				-				-
Total expenditures	<u>26,065</u>	<u>26,065</u>	<u>14,906</u>	<u>11,159</u>	<u>350,000</u>	<u>450,000</u>	<u>433,235</u>	<u>16,765</u>	<u>172,250</u>	<u>141,063</u>	<u>35,316</u>	<u>105,747</u>
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
				-				-				-
Change in fund balance	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Accompanying Notes are an Integral Part of These Financial Statements

**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
BUDGET AND ACTUAL  
NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

SPECIAL REVENUE FUNDS, CONTINUED

	RPO #33				MRTD #36				MRTD #37			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	147,681	143,003	61,764	(81,239)	153,090	83,863	83,863	-	-	-	-	-
Intergovernmental-state	-	-	-	-	26,067	14,291	14,291	-	123,647	9,113	9,113	-
Local match	-	-	13,422	13,422	-	-	-	-	-	-	-	-
Total revenues	<u>147,681</u>	<u>143,003</u>	<u>75,186</u>	<u>(67,817)</u>	<u>179,157</u>	<u>98,154</u>	<u>98,154</u>	<u>-</u>	<u>123,647</u>	<u>9,113</u>	<u>9,113</u>	<u>-</u>
Expenditures:												
Current:												
General government	147,681	143,003	75,186	67,817	179,157	98,154	98,154	-	123,647	9,113	9,113	-
Noncurrent:	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>147,681</u>	<u>143,003</u>	<u>75,186</u>	<u>67,817</u>	<u>179,157</u>	<u>98,154</u>	<u>98,154</u>	<u>-</u>	<u>123,647</u>	<u>9,113</u>	<u>9,113</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
Changes in fund balance	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Accompanying Notes are an Integral Part of These Financial Statements



**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
BUDGET AND ACTUAL  
NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	Commuter Rail Shuttle #41				ONRT #34				UPWP/FTA/NMSHTD #53			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	-	-	-	-	-	-	-	-	244,813	244,813	244,813	-
Intergovernmental-state	730,000	730,000	463,955	(266,045)	487,000	487,000	361,209	(125,791)	-	-	-	-
Local match	-	-	-	-	-	-	-	-	61,203	61,203	61,203	-
Total revenues	<u>730,000</u>	<u>730,000</u>	<u>463,955</u>	<u>(266,045)</u>	<u>487,000</u>	<u>487,000</u>	<u>361,209</u>	<u>(125,791)</u>	<u>306,016</u>	<u>306,016</u>	<u>306,016</u>	<u>-</u>
Expenditures:												
Current:												
General government	730,000	730,000	463,955	266,045	487,000	487,000	361,209	125,791	306,016	306,016	306,016	-
Noncurrent:												
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>730,000</u>	<u>730,000</u>	<u>463,955</u>	<u>266,045</u>	<u>487,000</u>	<u>487,000</u>	<u>361,209</u>	<u>125,791</u>	<u>306,016</u>	<u>306,016</u>	<u>306,016</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
Changes in fund balance	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
BUDGET AND ACTUAL  
NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	RG Bosque Trails Extension #58				CTCP #67				EDA #70 & 72			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	-	-	-	-	304,425	295,758	171,797	(123,961)	83,334	83,334	71,651	(11,683)
Intergovernmental-state	2,622,050	2,634,451	84,536	(2,549,915)	26,627	25,870	15,071	(10,799)	15,025	15,745	24,286	8,541
Local match	-	-	-	-	36,212	35,205	20,456	(14,749)	-	33,026	31,444	(1,582)
<b>Total revenues</b>	<b>2,622,050</b>	<b>2,634,451</b>	<b>84,536</b>	<b>(2,549,915)</b>	<b>367,264</b>	<b>356,833</b>	<b>207,324</b>	<b>(149,509)</b>	<b>98,359</b>	<b>132,105</b>	<b>127,381</b>	<b>(4,724)</b>
Expenditures:												
Current:												
General government	2,622,050	2,634,451	84,536	2,549,915	367,264	356,833	207,324	149,509	98,359	132,105	127,381	4,724
Noncurrent:												
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>2,622,050</b>	<b>2,634,451</b>	<b>84,536</b>	<b>2,549,915</b>	<b>367,264</b>	<b>356,833</b>	<b>207,324</b>	<b>149,509</b>	<b>98,359</b>	<b>132,105</b>	<b>127,381</b>	<b>4,724</b>
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
BUDGET AND ACTUAL  
NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	Belen Strategic Growth #76				Encino Comp Plan # 77/78				Regional Water Planning #81			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	25,000	72,449	35,904	(36,545)	25,000	25,000	21,699	(3,301)	-	-	-	-
Intergovernmental-state	-	-	-	-	-	-	-	-	-	10,000	10,000	-
Local	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>25,000</b>	<b>72,449</b>	<b>35,904</b>	<b>(36,545)</b>	<b>25,000</b>	<b>25,000</b>	<b>21,699</b>	<b>(3,301)</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>
Expenditures:												
Current:												
General government	25,000	72,449	35,904	36,545	25,000	25,000	21,699	3,301	-	10,000	10,000	-
Noncurrent:												
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>25,000</b>	<b>72,449</b>	<b>35,904</b>	<b>36,545</b>	<b>25,000</b>	<b>25,000</b>	<b>21,699</b>	<b>3,301</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
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NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	Transit Oriented Development #84				Local Planning Administration #93				Photovoltaic System #213			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-state	220,000	335,068	170,785	(164,283)	128,250	128,250	121,979	(6,271)	-	85,000	42,500	-
Local	-	-	-	-	21,750	21,750	20,817	(933)	-	-	-	-
Total revenues	220,000	335,068	170,785	(164,283)	150,000	150,000	142,796	(7,204)	-	85,000	42,500	(42,500)
Expenditures:												
Current:												
General government	220,000	335,068	170,785	164,283	150,000	150,000	142,796	7,204	-	43,000	765	42,235
Noncurrent:												
Capital outlay	-	-	-	-	-	-	-	-	-	42,000	41,735	265
Total expenditures	220,000	335,068	170,785	164,283	150,000	150,000	142,796	7,204	-	85,000	42,500	42,500
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
Changes in fund balance	\$ -	-	-	-	-	-	-	-	-	-	-	-

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**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
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NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	KAFB Joint Land Use Study #310				Rio Metro Service Schedule #410				Regional Transit District-Sandoval #435			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	227,130	409,945	189,876	(220,069)	-	95,266	18,531	(76,735)	881,400	881,400	911,834	30,434
Intergovernmental-state	-	-	9,946	9,946	-	-	-	-	-	-	-	-
Local	-	-	11,152	11,152	-	23,817	4,633	(19,184)	474,600	524,600	491,389	(33,211)
<b>Total revenues</b>	<b>227,130</b>	<b>409,945</b>	<b>210,974</b>	<b>(198,971)</b>	<b>-</b>	<b>119,083</b>	<b>23,164</b>	<b>(95,919)</b>	<b>1,356,000</b>	<b>1,406,000</b>	<b>1,403,223</b>	<b>(2,777)</b>
Expenditures:												
Current:												
General government	227,130	409,945	210,974	198,971	-	119,083	23,164	95,919	1,356,000	1,406,000	1,403,223	2,777
Noncurrent:												
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>227,130</b>	<b>409,945</b>	<b>210,974</b>	<b>198,971</b>	<b>-</b>	<b>119,083</b>	<b>23,164</b>	<b>95,919</b>	<b>1,356,000</b>	<b>1,406,000</b>	<b>1,403,223</b>	<b>2,777</b>
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Local match transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
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FOR THE YEAR ENDED JUNE 30, 2009**

	Job Access/Reverse Commute Admin #450 &451				New Freedom #452				TANF Broker #455/456			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	343,932	494,164	285,300	(208,864)	182,730	203,988	13,287	(190,701)	670,000	670,000	640,298	(29,702)
Intergovernmental-state	-	-	-	-	-	-	-	-	-	-	-	-
Local	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>343,932</b>	<b>494,164</b>	<b>285,300</b>	<b>(208,864)</b>	<b>182,730</b>	<b>203,988</b>	<b>13,287</b>	<b>(190,701)</b>	<b>670,000</b>	<b>670,000</b>	<b>640,298</b>	<b>(29,702)</b>
Expenditures:												
Current:												
General government	343,932	494,164	285,300	208,864	182,730	203,988	13,287	190,701	670,000	670,000	640,298	29,702
Noncurrent:												
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>343,932</b>	<b>494,164</b>	<b>285,300</b>	<b>208,864</b>	<b>182,730</b>	<b>203,988</b>	<b>13,287</b>	<b>190,701</b>	<b>670,000</b>	<b>670,000</b>	<b>640,298</b>	<b>29,702</b>
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Local match transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
BUDGET AND ACTUAL  
NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

	Modern Street Car #460				Los Lunas Corridor Study #470				Region III Housing Authority #475			
	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:												
Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-federal	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental-state	100,000	45,534	45,534	-	996,500	992,826	178,753	(814,073)	-	-	-	-
Local	-	-	-	-	-	-	-	-	50,000	53,582	26,814	(26,768)
<b>Total revenues</b>	<b>100,000</b>	<b>45,534</b>	<b>45,534</b>	<b>-</b>	<b>996,500</b>	<b>992,826</b>	<b>178,753</b>	<b>(814,073)</b>	<b>50,000</b>	<b>53,582</b>	<b>26,814</b>	<b>(26,768)</b>
Expenditures:												
Current:												
General government	100,000	45,534	45,534	-	996,500	992,826	178,753	814,073	50,000	53,582	26,814	26,768
Noncurrent:												
Capital outlay	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>100,000</b>	<b>45,534</b>	<b>45,534</b>	<b>-</b>	<b>996,500</b>	<b>992,826</b>	<b>178,753</b>	<b>814,073</b>	<b>50,000</b>	<b>53,582</b>	<b>26,814</b>	<b>26,768</b>
Excess of revenues and other financing sources over expenditures and	-	-	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)												
Local match transfer in	-	-	-	-	-	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-	-	-	-	-
<b>Changes in fund balance</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**MID REGION COUNCIL OF GOVERNMENTS OF  
NEW MEXICO  
STATEMENT OF REVENUE, EXPENDITURES  
BUDGET AND ACTUAL  
NON-MAJOR FUNDS  
FOR THE YEAR ENDED JUNE 30, 2009**

Regional Criminal Justice #480

	Initial Budget	Final Budget	Actual	Variances favorable (unfavorable)
Revenues:				
Taxes	\$ -	-	-	-
Intergovernmental-federal	-	-	-	-
Intergovernmental-state	-	52,485	27,800	(24,685)
Local	<u>202,326</u>	<u>254,811</u>	<u>121,238</u>	<u>(133,573)</u>
	-	-	-	-
Total revenues	<u>202,326</u>	<u>307,296</u>	<u>149,038</u>	<u>(158,258)</u>
Expenditures:				
Current:				
General government	202,326	307,296	149,038	158,258
Noncurrent:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-
Total expenditures	<u>202,326</u>	<u>307,296</u>	<u>149,038</u>	<u>158,258</u>
Excess of revenues and other financing sources over expenditures and	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)				
Local match transfer in	-	-	-	-
Transfer out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-
Changes in fund balance	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>

The Accompanying Notes are an Integral Part of These Financial Statements



**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND -  
FUND #21 WORKFORCE CONNECTION OF CENTRAL NEW MEXICO  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>Assets</u>				
Cash	\$ 115,976	\$ 3,312,919	3,007,211	\$ 421,684
Accounts receivable	800,428	-	519,850	280,578
Prepaid assets	<u>17,480</u>	<u>-</u>	<u>17,480</u>	<u>-</u>
Total assets	<u>\$ 933,884</u>	<u>\$ 3,312,919</u>	<u>\$ 3,544,541</u>	<u>\$ 702,262</u>
<u>Liabilities</u>				
			231,622	
Accounts payable	\$ 616,404	\$ 3,312,919	\$ 3,527,061	\$ 402,262
Funds held for WCCNM	<u>317,480</u>	<u>-</u>	<u>17,480</u>	<u>300,000</u>
Total liabilities	<u>\$ 933,884</u>	<u>\$ 3,312,919</u>	<u>\$ 3,544,541</u>	<u>\$ 702,262</u>

See independent auditors' report

The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND -  
FUND #87, 86 and 85 COMMUTER RAIL CAPITAL PROJECT Phase I and II  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance</u> <u>June 30, 2008</u>		<u>Additions</u>		<u>Deletions</u>		<u>Balance</u> <u>June 30, 2009</u>
<u>Assets</u>							
Grant receivable	\$ 6,292,671	\$	63,092,314	\$	66,698,229	\$	2,686,756
Interfund receivable	<u>-</u>		<u>-</u>		<u>-</u>		<u>-</u>
Total assets	<u>\$ 6,292,671</u>	\$	<u>63,092,314</u>	\$	<u>66,698,229</u>	\$	<u>2,686,756</u>
<u>Liabilities</u>							
Interfund payable	\$ 135,578		32,020		143,645		23,953
Accounts payable	<u>6,157,093</u>	\$	<u>63,060,294</u>	\$	<u>66,554,584</u>	\$	<u>2,662,803</u>
Total liabilities	<u>\$ 6,292,671</u>	\$	<u>63,092,314</u>	\$	<u>66,698,229</u>	\$	<u>2,686,756</u>

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND -  
FUND #90 COMMUTER RAIL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>Assets</u>				
Grant receivable	\$ <u>777,232</u>	<u>9,488</u>	<u>786,234</u>	<u>486</u>
Total assets	\$ <u><u>777,232</u></u>	<u><u>9,488</u></u>	<u><u>786,234</u></u>	<u><u>486</u></u>
<u>Liabilities</u>				
Interfund payable	\$ <u>777,232</u>	<u>9,488</u>	<u>786,234</u>	<u>486</u>
Total liabilities	\$ <u><u>777,232</u></u>	<u><u>9,488</u></u>	<u><u>786,234</u></u>	<u><u>486</u></u>

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND -  
FUND #94 COMMUTER RAIL FARES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>Assets</u>				
Cash	\$ 856,516	-	776,806	79,710
Total assets	\$ 856,516	-	776,806	79,710
<u>Liabilities</u>				
Interfund payable	\$ 21,730	55,971	-	77,701
Funds held for DOT	834,786	2,009	834,786	2,009
Total liabilities	\$ 856,516	57,980	834,786	79,710

See independent auditors' report

The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND -  
FUND #95 COMMUTER RAIL CROSSINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>Assets</u>				
Cash	\$ -	-	-	-
Grants receivable	<u>323,268</u>	<u>356,448</u>	<u>307,690</u>	<u>372,026</u>
Total assets	<u>\$ 323,268</u>	<u>356,448</u>	<u>307,690</u>	<u>372,026</u>
<u>Liabilities</u>				
Accounts payable	\$ 95,772	356,448	452,220	-
Interfund payable	<u>227,496</u>	<u>144,530</u>	<u>-</u>	<u>372,026</u>
Total liabilities	<u>\$ 323,268</u>	<u>500,978</u>	<u>452,220</u>	<u>372,026</u>

See independent auditors' report

The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND -  
FUND #96 COMMUTER RAIL CROSSINGS FEDERAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>Assets</u>				
Grants receivable	\$ -	1,070,107	1,025,858	44,249
Interfund receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>-</u>	<u>1,070,107</u>	<u>1,025,858</u>	<u>44,249</u>
<u>Liabilities</u>				
Accounts payable	\$ <u>-</u>	<u>1,070,107</u>	<u>1,025,858</u>	<u>44,249</u>
Total liabilities	\$ <u>-</u>	<u>1,070,107</u>	<u>1,025,858</u>	<u>44,249</u>

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND -  
FUND #210 EDITH TRACK RECONSTRUCTION PROJECT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>Assets</u>				
Grants receivable	\$ <u>3,638</u>	<u>5,608</u>	<u>9,246</u>	<u>-</u>
Total assets	\$ <u><u>3,638</u></u>	<u><u>5,608</u></u>	<u><u>9,246</u></u>	<u><u>-</u></u>
<u>Liabilities</u>				
Accounts payable	\$ <u>3,638</u>	<u>5,608</u>	<u>9,246</u>	<u>-</u>
Total liabilities	\$ <u><u>3,638</u></u>	<u><u>5,608</u></u>	<u><u>9,246</u></u>	<u><u>-</u></u>

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF  
GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND -  
FUND #215 LOBO STATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
<u>Assets</u>				
Grants receivable	\$ -	44,701	25,354	19,347
Total assets	\$ -	44,701	25,354	19,347
<u>Liabilities</u>				
Interfund Payable	\$ -	6,138	-	6,138
Accounts payable	-	44,701	31,492	13,209
Total liabilities	\$ -	50,839	31,492	19,347

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.



**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Federal Grantor/Program Title	Federal CFDA Number	Pass Through Number	Fund #	Federal Expenditures
<u>U.S. Department of Commerce</u>				
Economic Development Administration:				
Economic Development Planning Grant	11.302		72	\$ 71,651
Total direct awards				<u>71,651</u>
<u>U.S. Department of Health</u>				
Passed through the NM Department of Health and Human Services				
Temporary Assistance for Needy Families Administration and Program contract	93.558		456/455/22	<u>1,068,231</u>
U.S. Department of Labor passed through				
Workforce Connection of Central NM				
Workforce Investment Act Cluster:				
Fiscal Agent Contract and Administrative Entity Contract-Adult	17.258			199,751
Fiscal Agent Contract and Administrative Entity Contract-DW	17.260			171,215
Fiscal Agent Contract and Administrative Entity Contract-Youth	17.259			199,751
				<u>570,717</u>
<u>U.S. Department of Transportation</u>				
Passed through State of New Mexico Highway and Transportation Department:				
Job Access Reversal Commuter Program	20.516	523 8940	450	298,587
Unified Planning Work Program:				
Rio Metro	20.505	523 8940	410	18,531
RPO	20.505	523 8940	33	61,764
RTD	20.505	523 8940	36	83,863
FHWA	20.505	523 8940	52	982,053
FTA	20.505	523 8940	53	244,813
CTCP	20.505	523 8940	67	171,797
Commuter Rail Operations	20.505	* AC-GRIP -025-3	89	14,172,301
RTD-Sandoval	20.505	523 8940	435	911,834
Total U.S. Department of Transportation				<u>16,945,543</u>
<u>U.S. Department of Defense</u>				
Passed Through Kirtland Air Force Base				
Kirtland AFB Study	12.610	EN06179-07-01-08-01	410	<u>189,876</u>
<u>U.S. Department of Housing &amp; Urban Development</u>				
Passed through City of Belen:				
Community Development Block Grants/ Brownfields Economic Development Initiative	14.246	08-C-NR-I-06-G76	76	35,904
Passed through Village of San Ysidro:				
Community Development Block Grants/ Brownfields Economic Development Initiative	14.246	07-C-NR-I-G78	78	(1,603)
Passed through the Village of Bosque Farms				
Community Development Block Grants/ Brownfields Economic Development Initiative	14.246	07-C-NR-I-G77	77	<u>23,302</u>
Total U.S. Department of Housing & Urban Development				<u>57,603</u>
Total Expenditures of Federal Awards				<u>\$ 18,903,621</u>

\*=Major program

See independent auditors' report

The accompanying notes are an integral part of these financial statements.

**MID REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, continued  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

Notes to Schedule of Expenditures of Federal Awards

1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Mid Region Council of Governments of New Mexico (MR COG) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this schedule is presented in accordance with requirements of OMB Circular A-133, -*Audits of States, Local Governments, and Non-Profit Organizations*.

2 Non- Cash Assistance

The Council received no non-cash federal assistance for the year.

3 Subrecipients

The Council did not provide any federal awards to subrecipients during the year.

See independent auditors' report  
The accompanying notes are an integral part of these financial statements.

## **COMPLIANCE SECTION**

# Hinkle & Landers, P.C.

*CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS*

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2500 9<sup>th</sup> Street NW  
Albuquerque, New Mexico 87102  
Tel (505) 883-8788  
Fax (505) 883-8797

## **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors  
Mid Region Council of Governments of New Mexico  
Albuquerque, New Mexico  
and  
Mr. Hector Balderas, State Auditor

We have audited the financial statements of the governmental activities, each major fund, and the respective budgetary comparisons, and the aggregate remaining fund information which comprise the basic financial statements and the non-major governmental and fiduciary combining and individual funds, including budgetary comparisons, presented as supplemental information of the Mid-Region Council of Governments of New Mexico (Council) as of and for the year ended June 30, 2009, and have issued our report thereon dated December 7, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Council's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Council's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Council's financial statements that is more than inconsequential will not be prevented or detected by the Council's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Council's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly we do not express such an opinion. We noted no instances of non compliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that is required to be reported under Government Auditing Standards paragraph 5.14 and 5.16, and Section 12-6-5 NMSA 1978, which is described in the accompanying schedule of findings and questioned costs as finding 09-01.

The Auditor's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the auditor's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, Board of Directors, the State of NM Office of the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

The image shows a handwritten signature in black ink that reads "Hinkle & Landers, P.C." in a cursive, professional style.

December 7, 2009  
Hinkle & Landers, PC

# Hinkle & Landers, P.C.

*CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS*

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2500 9<sup>th</sup> Street NW  
Albuquerque, New Mexico 87102  
Tel (505) 883-8788  
Fax (505) 883-8797

## **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors  
Mid Region Council of Governments of New Mexico  
Albuquerque, New Mexico  
and  
Mr. Hector Balderas, State Auditor

### Compliance

We have audited the compliance of the Mid-Region Council of Governments of New Mexico (Council), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Council's management. Our responsibility is to express an opinion on the Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Council's compliance with those requirements.

In our opinion, the Council, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

## Internal Control Over Compliance

The management of the Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Council's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Council's internal control over compliance.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Council's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Council's financial statements that is more than inconsequential will not be prevented or detected by the Council's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Council's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Board of Directors, the State of NM Office of the State Auditor, the New Mexico Legislature and the New Mexico Department of Finance and Administration and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

The image shows a handwritten signature in black ink that reads "Hinkle & Landers, P.C." in a cursive, flowing script.

December 7, 2009  
Hinkle & Landers, PC

**MID-REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

Financial Statements

Type of auditors' report issued Unqualified

Internal Control over financial reporting:

Material weaknesses identified? \_\_\_ yes   x   no

Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_ yes   x   no

Non-compliance material to financial statements noted? \_\_\_ yes   x   no

Federal Awards

Internal Control

Material weaknesses identified? \_\_\_ yes   x   no

Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_ yes   x   no

Type of auditors' report issued on major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? \_\_\_ yes   x   no

Identification of major program as noted below:

CFDA Numbers Funding Source	Name of Federal Programs	Funding Source
20.505	Commuter Rail – Operations	U.S. Dept of Transportation

Dollar threshold use to distinguish between A and B programs: \$300,000

Auditee qualified as low-risk auditee? \_\_\_yes   x  no



**MID-REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**SECTION II & SECTION III- FINANCIAL STATEMENTS FINDINGS and FEDERAL AWARD FINDINGS**

	Status of Current and Prior year Findings	Other Matters	Significant Deficiency	Material Weakness	<u>SECTION II</u> Financial Statement Finding	<u>SECTION III</u> Federal Awards Finding
<b>Prior year</b> None						
<b>Current year:</b> 09-01 Late Submission of Audit Report	Current	yes	no	no	yes	no

**MID-REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**09-01 LATE SUBMISSION OF AUDIT REPORT**

**Statement of Condition**

The Council's audit report for the year ended June 30, 2009 was submitted to the NM Office of the State Auditor by the required due date December 15, 2009, however, the report was rejected due to some typographical errors and had to be resubmitted at January 8, 2010, a date subsequent to the required deadline.

**Criteria**

The NM SAO Rule 2.2.2.9.E requires that the audit report be submitted to the SAO office by December 15, 2009, any audit rejected by the SAO office will be considered not submitted on time.

**Effect**

The audit report was not submitted in a timely manner.

**Cause**

Due to a few typographical errors found by the SAO this caused the report submitted to the SAO by December 15, 2009 to be considered late.

**Recommendation**

The Council and their auditor should ensure through thorough review and re-review that items that should be corrected are caught.

**Management Response**

The MRCOG will thoroughly review the audit before it is sent to the SAO.

**STATE OF NEW MEXICO  
MID-REGION COUNCIL OF GOVERNMENTS OF NEW MEXICO  
EXIT CONFERENCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

An exit conference was held on December 7, 2009, in a closed session. The contents of this report were discussed. Present at the exit conference were:

Representing MR COG:

Thomas Swisstack	Board Member
Dewey Cave	Interim Executive Director
Janice Borchardt	Finance Director

Representing Hinkle & Landers, P.C.:

Farley Vener, CPA, CFE	Partner
Odessa Hamilton	Auditor

**PREPARATION OF FINANCIAL STATEMENTS**

The accompanying financial statements of the MRCOG have been prepared by Hinkle & Landers, P.C., the organization's independent public auditors, however, the financial statements are the responsibility of management.